

STATE OF MINNESOTA

EIGHTY-SIXTH SESSION — 2009

 TWENTY-EIGHTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, APRIL 1, 2009

The House of Representatives convened at 12:30 p.m. and was called to order by Margaret Anderson Kelliher, Speaker of the House.

Prayer was offered by the Reverend Mark Schwartz, South Zumbro Lutheran Church, Kasson, Minnesota.

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

The roll was called and the following members were present:

Abeler	Dettmer	Haws	Lanning	Nelson	Severson
Anderson, B.	Dill	Hayden	Lenczewski	Newton	Shimanski
Anderson, P.	Dittrich	Hilstrom	Lesch	Nornes	Simon
Anderson, S.	Doepke	Hilty	Liebling	Norton	Slawik
Anzelc	Doty	Holberg	Lieder	Obermueller	Slocum
Beard	Downey	Hoppe	Lillie	Olin	Smith
Benson	Drazkowski	Hornstein	Loeffler	Otremba	Solberg
Bigham	Eastlund	Hortman	Loon	Paymar	Sterner
Bly	Eken	Hosch	Mack	Pelowski	Swails
Brod	Emmer	Huntley	Magnus	Peppin	Thao
Brown	Falk	Jackson	Mahoney	Persell	Thissen
Brynaert	Faust	Johnson	Mariani	Peterson	Tillberry
Buesgens	Fritz	Juhnke	Marquart	Poppe	Torkelson
Bunn	Gardner	Kahn	Masin	Reinert	Urdahl
Carlson	Garofalo	Kalin	McFarlane	Rosenthal	Wagenius
Champion	Gottwalt	Kath	McNamara	Rukavina	Ward
Clark	Greiling	Kelly	Morgan	Ruud	Welti
Cornish	Gunther	Kiffmeyer	Morrow	Sailer	Westrom
Davids	Hackbarth	Knuth	Mullery	Sanders	Winkler
Davnie	Hamilton	Koenen	Murdock	Scalze	Zellers
Dean	Hansen	Kohls	Murphy, E.	Scott	Spk. Kelliher
Demmer	Hausman	Laine	Murphy, M.	Sertich	

A quorum was present.

Atkins, Howes and Seifert were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Slocum moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

S. F. No. 95 and H. F. No. 117, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Solberg moved that the rules be so far suspended that S. F. No. 95 be substituted for H. F. No. 117 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 208 and H. F. No. 672, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Dettmer moved that S. F. No. 208 be substituted for H. F. No. 672 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 832 and H. F. No. 1073, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Solberg moved that the rules be so far suspended that S. F. No. 832 be substituted for H. F. No. 1073 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1028 and H. F. No. 1192, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Brod moved that S. F. No. 1028 be substituted for H. F. No. 1192 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Atkins from the Committee on Commerce and Labor to which was referred:

H. F. No. 42, A bill for an act relating to health; providing temporary MinnesotaCare eligibility for certain individuals receiving unemployment benefits; requiring guaranteed issue in the individual insurance market for certain individuals who had received temporary MinnesotaCare coverage; appropriating money; amending Minnesota Statutes 2008, sections 62A.65, subdivision 5; 256L.07, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 62A.17, is amended by adding a subdivision to read:

Subd. 5a. **Limited extension of continuation election period.** (a) An individual who did not have an election of continuation coverage under subdivision 1 in effect on February 17, 2009, but who would be an assistance eligible individual as defined in section 3001(a)(3) of the American Recovery and Reinvestment Act of 2009, if such an election were in effect, may elect the continuation coverage during the period beginning February 17, 2009, and ending 60 days after the date on which a notification which meets the notice requirements of the American Recovery and Reinvestment Act of 2009 is provided to the individual.

(b) Any continuation coverage elected during the extended election period in paragraph (a) shall:

(1) commence with the first period of coverage beginning on or after February 17, 2009; and

(2) not extend beyond 18 months from the earliest date continuation could have been effective if the coverage had been elected when the individual was initially eligible for continuation coverage under this section.

(c) With respect to an assistance eligible individual who elects continuation coverage under paragraph (a), the period:

(1) beginning on the date of the qualifying event; and

(2) ending with the beginning of the period described in paragraph (b), clause (1), shall be disregarded for purposes of determining the 63-day periods referred to in section 701(c)(2) of the Employee Retirement Income Security Act of 1974, section 9801(c)(2) of the Internal Revenue Code of 1986, and section 2701(c)(2) of the Public Health Service Act.

EFFECTIVE DATE. This section is effective the day following final enactment and expires on June 30, 2010.

Sec. 2. Minnesota Statutes 2008, section 62A.65, subdivision 5, is amended to read:

Subd. 5. **Portability and conversion of coverage.** (a) No individual health plan may be offered, sold, issued, or with respect to children age 18 or under renewed, to a Minnesota resident that contains a preexisting condition limitation, preexisting condition exclusion, or exclusionary rider, unless the limitation or exclusion is permitted under this subdivision and under chapter 62L, provided that, except for children age 18 or under, underwriting restrictions may be retained on individual contracts that are issued without evidence of insurability as a replacement for prior individual coverage that was sold before May 17, 1993. The individual may be subjected to an 18-month preexisting condition limitation, unless the individual has maintained continuous coverage as defined in section 62L.02. The individual must not be subjected to an exclusionary rider. An individual who has maintained continuous coverage may be subjected to a onetime preexisting condition limitation of up to 12 months, with credit for time covered under qualifying coverage as defined in section 62L.02, at the time that the individual first is covered under an individual health plan by any health carrier. Credit must be given for all qualifying coverage with respect to all preexisting conditions, regardless of whether the conditions were preexisting with respect to any previous qualifying coverage. The individual must not be subjected to an exclusionary rider. Thereafter, the individual must not be subject to any preexisting condition limitation, preexisting condition exclusion, or exclusionary rider under an individual health plan by any health carrier, except an unexpired portion of a limitation under prior coverage, so long as the individual maintains continuous coverage as defined in section 62L.02.

(b) A health carrier must offer an individual health plan to any individual previously covered under a group health plan issued by that health carrier, regardless of the size of the group, so long as the individual maintained continuous coverage as defined in section 62L.02. If the individual has available any continuation coverage provided under sections 62A.146; 62A.148; 62A.17, subdivisions 1 and 2; 62A.20; 62A.21; 62C.142; 62D.101; or 62D.105, or continuation coverage provided under federal law, the health carrier need not offer coverage under this paragraph until the individual has exhausted the continuation coverage. The offer must not be subject to

underwriting, except as permitted under this paragraph. A health plan issued under this paragraph must be a qualified plan as defined in section 62E.02 and must not contain any preexisting condition limitation, preexisting condition exclusion, or exclusionary rider, except for any unexpired limitation or exclusion under the previous coverage. The individual health plan must cover pregnancy on the same basis as any other covered illness under the individual health plan. The offer of coverage by the health carrier must inform the individual that the coverage, including what is covered and the health care providers from whom covered care may be obtained, may not be the same as the individual's coverage under the group health plan. The offer of coverage by the health carrier must also inform the individual that the individual, if a Minnesota resident, may be eligible to obtain coverage from (i) other private sources of health coverage, or (ii) the Minnesota Comprehensive Health Association, without a preexisting condition limitation, and must provide the telephone number used by that association for enrollment purposes. The initial premium rate for the individual health plan must comply with subdivision 3. The premium rate upon renewal must comply with subdivision 2. In no event shall the premium rate exceed 100 percent of the premium charged for comparable individual coverage by the Minnesota Comprehensive Health Association, and the premium rate must be less than that amount if necessary to otherwise comply with this section. An individual health plan offered under this paragraph to a person satisfies the health carrier's obligation to offer conversion coverage under section 62E.16, with respect to that person. Coverage issued under this paragraph must provide that it cannot be canceled or nonrenewed as a result of the health carrier's subsequent decision to leave the individual, small employer, or other group market. Section 72A.20, subdivision 28, applies to this paragraph.

(c) A health carrier must offer, sell, issue, and renew an individual health plan on a guaranteed issue basis, without any preexisting condition limitation, to individuals and their family members who exhaust temporary MinnesotaCare coverage for unemployed individuals under section 256L.07, subdivision 8, who are not eligible for regular MinnesotaCare coverage as determined by the commissioner of human services, and who apply for coverage from the health carrier within 63 days after denial of eligibility for regular MinnesotaCare coverage. Guaranteed issue coverage under this paragraph must be retroactive to the date of denial of eligibility for regular MinnesotaCare coverage. For purposes of this paragraph, "guaranteed issue" means that a health carrier shall not decline to cover under a health plan any individual or eligible dependent, including persons who become eligible dependents after issuance of the health plan. For purposes of this paragraph, "family" has the meaning provided in section 256L.07, subdivision 8. This paragraph expires July 1, 2011.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to health plans offered, sold, issued, or renewed on or after that date.

Sec. 3. **[256.0122] STATE SUBSIDY FOR COBRA PREMIUMS.**

The commissioner of human services shall provide to each assistance eligible individual who is eligible for premium assistance for COBRA benefits under the American Recovery and Reinvestment Act of 2009 (ARRA), title III, section 3001, with a state premium subsidy equal to an additional 25 percent of the total premium for COBRA continuation coverage. The assistance eligible individual's share of 35 percent of the premium for continuation coverage shall be proportionately reduced. The commissioner shall pay the state premium subsidy to the entity to whom the assistance eligible individual is required to pay COBRA premiums, on or before the dates the assistance eligible individual's COBRA premiums are due. The state premium subsidy must be paid for the period during which an assistance eligible individual receives the 65 percent premium subsidy under the ARRA. Employers subject to federal or state continuation law must provide assistance eligible individuals with notice of the additional state subsidy, in addition to any other notice required under the ARRA. This section expires December 31, 2010.

EFFECTIVE DATE. This section is effective retroactively from February 17, 2009.

Sec. 4. Minnesota Statutes 2008, section 256L.07, is amended by adding a subdivision to read:

Subd. 8. Temporary MinnesotaCare coverage for unemployed individuals. (a) An individual is eligible for temporary MinnesotaCare coverage under this subdivision if the individual:

(1) is involuntarily unemployed, but not for cause, and had been employed for at least 18 consecutive months prior to the loss of employment;

(2) is not eligible for continuation coverage as described by the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), Public Law 99-272, as amended, or state continuation coverage under sections 62A.146, 62A.148, 62A.17, 62A.20, 62A.21, 62D.101, and 62D.105, and similar laws of other states under which a Minnesota resident is eligible;

(3) has gross individual or family income that does not exceed 275 percent of the federal poverty guidelines; and

(4) does not have available to them health coverage through Medicare or employer-subsidized coverage through a spouse. For purposes of this clause, "employer-subsidized coverage" means health coverage for which the employer pays at least 50 percent of the cost of coverage for the employee or dependent.

(b) Members of the individual's family are also eligible for MinnesotaCare under this subdivision. For purposes of this subdivision, "family" has the meaning provided in Minnesota Rules, part 9506.0010, subpart 11, but also includes any individual who had been covered under health coverage provided by the most recent employer of the individual applying for temporary MinnesotaCare coverage.

(c) Individuals and family members eligible under this subdivision are exempt from subdivisions 2 and 3; and section 256L.17. All other requirements of this chapter apply.

(d) The commissioner of employment and economic development shall provide all individuals who make application for unemployment benefits under chapter 268, a Minnesota emergency unemployment compensation program, or a federal emergency compensation program, with written notice that the individual and family members may be eligible under this subdivision for temporary MinnesotaCare coverage, and an application for this coverage. This information must be provided by the commissioner of employment and economic development at the same time that information about eligibility for unemployment benefits is provided.

(e) Individuals and family members shall submit applications for temporary MinnesotaCare coverage to the commissioner of human services. The commissioner of human services shall determine eligibility for persons seeking coverage under this subdivision, using the procedures specified in this chapter, unless otherwise provided in this subdivision.

(f) Individuals eligible under this subdivision shall receive coverage for the health services provided under section 256L.03 to nonpregnant adults with children, except that the annual limit on inpatient hospital services in section 256L.03, subdivision 3, shall not apply.

(g) Individuals eligible under this subdivision shall receive coverage on a fee-for-service basis with state-only funds, and are exempt from managed care enrollment under section 256L.12. The commissioner of human services shall seek federal approval for matching funds within 30 days of the effective date of this subdivision.

(h) Individuals eligible under this subdivision shall pay premiums as determined under section 256L.15. These individuals are subject to the cost-sharing requirements specified in section 256L.03, subdivision 5, except that the ten percent coinsurance requirement for inpatient hospital services shall not apply. Individuals eligible under this subdivision are exempt from disenrollment for failure to pay premiums.

(i) Individuals and family members are eligible under this subdivision for 145 days of coverage, regardless of whether the eligibility criteria under paragraph (a) continue to be met after the initial determination of eligibility.

(j) Coverage under this subdivision is secondary to a plan of insurance or benefit program under which an individual or family member has coverage, and the commissioner of human services shall apply the procedures in section 256L.05, subdivision 3, paragraph (d). To be eligible under this subdivision, individuals and family members must comply with section 256L.04, subdivision 2.

(k) Individuals and family members who are no longer eligible under this subdivision may reapply for MinnesotaCare. The commissioner of human services shall provide individuals covered under this subdivision with reapplication materials no later than 115 days from the effective date of coverage. All eligibility, premium payment, and other requirements of this chapter shall apply at the time of reapplication. The effective date of coverage for persons reapplying shall be the day following the last day of coverage under this subdivision, for persons who have submitted a written request for retroactive MinnesotaCare coverage with a completed application within 30 days of the loss of eligibility. The applicant must provide all required verifications within 30 days of the written request for verification. For all other persons, the effective date of coverage is the day specified in section 256L.05, subdivision 3. Individuals denied MinnesotaCare coverage upon reapplication are eligible to purchase private sector individual health coverage on a guaranteed issue basis, as provided in section 62A.65, subdivision 5, paragraph (c), and health carriers as defined in that section must accept applicants and issue coverage on that basis.

(l) This subdivision expires July 1, 2011.

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

Sec. 5. **APPROPRIATION.**

(a) \$..... is appropriated from the health care access fund to the commissioner of human services for the biennium beginning July 1, 2009, to implement Minnesota Statutes, section 256L.07, subdivision 8.

(b) \$..... is appropriated from the health care access fund to the commissioner of human services for the biennium beginning July 1, 2009, to implement Minnesota Statutes, section 256.0122."

Delete the title and insert:

"A bill for an act relating to health; providing continuation coverage under the federal stimulus act; providing guaranteed issue in the individual insurance market under certain circumstances; providing state subsidy for COBRA premiums; providing temporary MinnesotaCare coverage for unemployed individuals; appropriating money; amending Minnesota Statutes 2008, sections 62A.17, by adding a subdivision; 62A.65, subdivision 5; 256L.07, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 256."

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

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 116, A bill for an act relating to pupil transportation; modifying qualifications for type III school bus drivers; amending Minnesota Statutes 2008, section 171.02, subdivision 2b.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Atkins from the Committee on Commerce and Labor to which was referred:

H. F. No. 250, A bill for an act relating to public health; protecting the health of children from toxic chemicals in products; requiring disclosure by manufacturers of children's products that contain chemicals of high concern; authorizing the Pollution Control Agency to designate priority chemicals of high concern and require replacement with safer alternatives; prohibiting certain sales; providing a waiver process; authorizing participation in an interstate clearinghouse; requiring reports to the legislature on implementation plans and comprehensive safe products framework; proposing coding for new law in Minnesota Statutes, chapter 116.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[116.9401] DEFINITIONS.**

(a) For the purposes of sections 116.9401 to 116.9411, the following terms have the meanings given them.

(b) "Agency" means the Pollution Control Agency.

(c) "Alternative" means a substitute process, product, material, chemical, strategy, or combination of these that serves a functionally equivalent purpose to a chemical in a children's product.

(d) "Chemical" means a substance with a distinct molecular composition or a group of structurally related substances and includes the breakdown products of the substance or substances that form through decomposition, degradation, or metabolism.

(e) "Chemical of high concern" means a chemical identified on the basis of credible scientific evidence by a governmental entity or the United Nations' World Health Organization as being known or suspected with a high degree of probability to:

(1) harm the normal development of a fetus or child or cause other developmental toxicity;

(2) cause cancer, genetic damage, or reproductive harm;

(3) disrupt the endocrine or hormone system;

(4) damage the nervous system, immune system, or organs, or cause other systemic toxicity;

(5) be persistent, bioaccumulative, and toxic; or

(6) be very persistent and very bioaccumulative.

(f) "Child" means a person under 12 years of age.

(g) "Children's product" means a consumer product intended for use by children, such as baby products, toys, car seats, personal care products, and clothing.

(h) "Commissioner" means the commissioner of the Pollution Control Agency.

(i) "Department" means the Department of Health.

(j) "Distributor" means a person who sells consumer products to retail establishments on a wholesale basis.

(k) "Green chemistry" means an approach to designing and manufacturing products in ways that minimize the use and generation of toxic substances.

(l) "Manufacturer" means any person who manufactures a final consumer product sold at retail or whose brand name is affixed to the consumer product. In the case of a consumer product imported into the United States, manufacturer includes the importer or domestic distributor of the consumer product if the person who manufactured or assembled the consumer product or whose brand name is affixed to the consumer product does not have a presence in the United States.

(m) "Priority chemical" means a chemical identified by the commissioner as a chemical of high concern that is contained in a children's product offered for sale in Minnesota and meets the criteria in section 116.9403.

(n) "Safer alternative" means an alternative whose potential to harm human health is less than that of a priority chemical that it could replace.

Sec. 2. **[116.9402] IDENTIFICATION OF CHEMICALS OF HIGH CONCERN.**

(a) By July 1, 2010, the department shall, after consultation with the agency, publish in the State Register and on the agency's Internet Web site a list of chemicals of high concern.

(b) The department must periodically review and revise the list of chemicals of high concern at least every three years. The department may add chemicals to the list if the chemical meets one or more of the criteria in section 116.9401, paragraph (e).

(c) The agency shall consider, among others, chemicals listed in the following sources for possible inclusion on the list of chemicals of high concern:

(1) chemicals identified as "Group 1 carcinogens" or "Group 2A carcinogens" by the United Nations' World Health Organization, International Agency for Research on Cancer;

(2) chemicals identified as "known to be a human carcinogen" and "reasonably anticipated to be a human carcinogen" by the secretary of the United States Department of Health and Human Services;

(3) chemicals identified as "Group A carcinogens" or "Group B carcinogens" by the United States Environmental Protection Agency;

(4) chemicals identified as reproductive or developmental toxicants by:

(i) the United States Department of Health and Human Services, National Toxicology Program, Center for the Evaluation of Risks to Human Reproduction; and

(ii) the California Environmental Protection Agency, Office of Environmental Health Hazard Assessment pursuant to the California Health and Safety Code, Safe Drinking Water and Toxic Enforcement Act of 1986, chapter 6.6, section 25249.8;

(5) chemicals identified as known or likely endocrine disruptors through screening or testing conducted in accordance with protocols developed by the United States Environmental Protection Agency pursuant to the federal Food, Drug, and Cosmetic Act, United States Code, title 21, section 346a(p), as amended by the federal Food Quality Protection Act, Public Law 104-170, or the federal Safe Drinking Water Act, United States Code, title 42, section 300j-17;

(6) chemicals listed on the basis of endocrine-disrupting properties in Annex XIV, List of Substances Subject to Authorisation, Regulation (EC) No 1907/2006 of the European Parliament concerning the Registration, Evaluation, Authorisation, and Restriction of Chemicals;

(7) persistent, bioaccumulative, and toxic chemicals identified by:

(i) the state of Washington Department of Ecology in Washington Administrative Code, Chapter 173-333; or

(ii) the United States Environmental Protection Agency in Code of Federal Regulations, title 40, part 372; and

(8) a very persistent, very bioaccumulative chemical listed in Annex XIV, List of Substances Subject to Authorisation, Regulation (EC) No 1907/2006 of the European Parliament concerning the Registration, Evaluation, Authorisation, and Restriction of Chemicals.

(d) The department may consider chemicals listed by another state as harmful to human health or the environment for possible inclusion in the list of chemicals of high concern.

Sec. 3. **[116.9403] IDENTIFICATION OF PRIORITY CHEMICALS.**

The department, after consultation with the agency, may designate a chemical of high concern as a priority chemical if the department finds that the chemical:

(1) is contained in a children's product offered for sale in Minnesota;

(2) has been identified as a high-production volume chemical by the United States Environmental Protection Agency; and

(3) meets any of the following criteria:

(i) the chemical has been found through biomonitoring to be present in human blood, including umbilical cord blood, breast milk, urine, or other bodily tissues or fluids;

(ii) the chemical has been found through sampling and analysis to be present in household dust, indoor air, drinking water, or elsewhere in the home environment;

(iii) the chemical has been found through monitoring to be present in fish, wildlife, or the natural environment;
or

(iv) the sale or use of the chemical or a product containing the chemical has been prohibited in another state within the United States.

Sec. 4. **[116.9404] IDENTIFICATION OF SAFER ALTERNATIVES.**

Subdivision 1. **Department determination.** The department shall determine whether a safer alternative to a priority chemical is available and is a technically feasible replacement for the priority chemical. In making this determination, the department:

(1) must utilize information from current scientific literature, the Interstate Chemicals Clearinghouse, manufacturers of children's products, and other sources it deems appropriate;

(2) may, in the absence of convincing evidence to the contrary, presume that:

(i) an alternative is a safer alternative if the alternative is not a chemical of high concern;

(ii) a safer alternative is available if the sale of the children's product containing the priority chemical has been prohibited by another state within the United States;

(iii) a safer alternative is available if the children's product containing the priority chemical is an item of apparel or a novelty; and

(iv) a safer alternative is available if the alternative is sold in the United States.

Subd. 2. **Department designation.** (a) If the department determines that a safer alternative is available and is a technically feasible replacement for a priority chemical, the department shall designate that priority chemical a Level 1 priority chemical. If the department determines that current information does not indicate that a safer alternative is available or is a technically feasible replacement for a priority chemical, the department shall designate that chemical a Level 2 priority chemical. By February 1, 2011, the department shall publish a list of Level 1 and Level 2 priority chemicals in the State Register and on the agency's Internet Web site and shall update the published list whenever a new priority chemical is designated.

(b) The department shall designate at least five priority chemicals as Level 1 or Level 2 by January 1, 2011, and at least five additional priority chemicals as Level 1 or Level 2 by January 1, 2013.

(c) The department shall, at least every two years:

(1) review the list of chemicals of high concern and determine, which, if any, should be designated Level 1 or Level 2 priority chemicals; and

(2) review the reports submitted by manufacturers under section 116.9408 to determine if any Level 2 priority chemicals should be designated as Level 1 priority chemicals.

Sec. 5. [116.9405] DISCLOSURE OF INFORMATION ON PRIORITY CHEMICALS.

Subdivision 1. **Reporting of chemical use.** Not later than 180 days after Level 1 and Level 2 priority chemicals are identified under section 116.9404, any person who is a manufacturer or distributor of a children's product for sale in this state that contains a Level 1 or Level 2 priority chemical shall notify the agency of that fact in writing unless the children's product is not subject to regulation under section 116.9409. This written notice must identify the product, the number of units sold or distributed for sale in this state or nationally during the previous calendar year, the priority chemical or chemicals contained in the product, and the intended purpose of the priority chemicals in the product.

Subd. 2. **Supplemental information.** The manufacturer or distributor of a children's product that contains a Level 1 or Level 2 priority chemical shall provide the following additional information if requested by the agency:

(1) information on the likelihood that the chemical will be released from the children's product to the environment during the children's product's life cycle and the extent to which users of the children's product are likely to be exposed to the chemical;

(2) additional information regarding the potential for harm to human health from specific uses of the priority chemical; and

(3) an assessment of the availability, cost, feasibility, and performance, including potential for harm to human health of alternatives to the priority chemical and the reason the priority chemical is used in the manufacture of the children's product in lieu of identified alternatives. If an assessment acceptable to the agency is not timely submitted as determined by the agency, the agency may assess a fee on the manufacturer or distributor to cover the costs to prepare an independent report on the availability of safer alternatives by a contractor of the agency's choice.

Sec. 6. **[116.9409] APPLICABILITY.**

The requirements of sections 116.9401 to 116.9411 do not apply to:

- (1) chemicals in used children's products;
- (2) priority chemicals used in the manufacturing process, but that are not present in the final product;
- (3) priority chemicals used in agricultural production;
- (4) motor vehicles as defined in chapter 168 or watercraft as defined in chapter 86B or their component parts, except that the use of priority chemicals in detachable car seats is not exempt;
- (5) priority chemicals generated solely as combustion by-products or that are present in combustible fuels;
- (6) retailers, unless that retailer knowingly sells a children's product containing a priority chemical after the effective date of its prohibition, of which that retailer has received prior notification from a manufacturer, distributor, or the state;
- (7) pharmaceutical products or biologics;
- (8) a medical device as defined in the federal Food, Drug, and Cosmetic Act, United States Code, title 21, section 321(h);
- (9) food and food or beverage packaging, except a container containing baby food or infant formula; or
- (10) consumer electronics products and electronic components, including but not limited to personal computers; audio and video equipment; calculators; digital displays; wireless phones; cameras; game consoles; printers; and handheld electronic and electrical devices used to access interactive software or their associated peripherals; or products that comply with the provisions of directive 2002/95/EC of the European Union, adopted by the European Parliament and Council of the European Union now or hereafter in effect.

Sec. 7. **[116.9410] DONATIONS TO THE STATE.**

The commissioner may accept donations, grants, and other funds to carry out the purposes of sections 116.9401 to 116.9411. All such donations, grants, and other funds must be accepted without preconditions regarding the outcomes of the regulatory oversight processes set forth in sections 116.9401 to 116.9411.

Sec. 8. **[116.9411] PARTICIPATION IN INTERSTATE CHEMICALS CLEARINGHOUSE.**

The agency may participate in an interstate chemicals clearinghouse to promote safer chemicals in consumer products in cooperation with other states, including the classification of chemicals in commerce; organizing and managing available data on chemicals, including information on uses, hazards, and environmental and health concerns; and producing and evaluating information on safer alternatives to specific uses of chemicals of concern.

Sec. 9. **REPORTS.**

(a) By January 15, 2010, the Department of Health, in consultation with the Pollution Control Agency, shall report to the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over environment and natural resources policy, commerce, and public health regarding the progress on implementing Minnesota Statutes, sections 116.9401 to 116.9411.

(b) By January 15, 2010, the Pollution Control Agency shall report to the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over environment and natural resources policy, commerce, and public health on the agency's plans to implement Minnesota Statutes, section 116.9405, and assess mechanisms to reduce and phase out the use of priority chemicals in children's products, including potential funding mechanisms. The report must include information on the progress of other states in reducing toxic chemicals in children's products. In developing the report, the agency may consult outside experts and groups working to reduce toxic chemicals in children's products in Minnesota and nationally.

Sec. 10. **EFFECTIVE DATE.**

Sections 1 to 8 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to public health; protecting the health of children from toxic chemicals in products; requiring disclosure by manufacturers of children's products that contain chemicals of high concern; authorizing the Department of Health to designate priority chemicals of high concern and require replacement with safer alternatives; authorizing participation in an interstate clearinghouse; requiring reports to the legislature; proposing coding for new law in Minnesota Statutes, chapter 116."

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

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 411, A bill for an act relating to animal health; modifying a prior appropriation to allow certain payments.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Atkins from the Committee on Commerce and Labor to which was referred:

H. F. No. 612, A bill for an act relating to employment; establishing minimum standards of sick leave for certain workers; providing civil penalties; proposing coding for new law in Minnesota Statutes, chapter 181.

Reported the same back with the following amendments:

Page 2, lines 5, 7, and 10, after "the" insert "Minnesota"

Page 2, line 35, delete "ten or more" and insert "at least 15 but not more than 50"

Page 2, line 36, delete "30" and insert "80"

Page 3, lines 1 and 20, delete "72" and insert "26"

Page 3, lines 3 and 21, delete "fewer than ten" and insert "more than 50"

Page 3, line 4, delete "30" and insert "40"

Page 3, lines 5 and 22, delete "40" and insert "52"

Page 3, line 19, delete "ten or more" and insert "at least 15 but not more than 50"

Page 5, delete subdivisions 7 and 8

Renumber the subdivisions in sequence

Amend the title as follows:

Page 1, line 3, delete "providing civil penalties;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Pelowski from the Committee on State and Local Government Operations Reform, Technology and Elections to which was referred:

H. F. No. 774, A bill for an act relating to the environment; providing for greenhouse gas emissions registry; proposing coding for new law in Minnesota Statutes, chapter 216H.

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

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 855, A bill for an act relating to capital improvements; appropriating money for asset preservation at the University of Minnesota and the Minnesota State Colleges and Universities; authorizing the sale and issuance of state bonds.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **CAPITAL IMPROVEMENT APPROPRIATIONS.**

The sums shown in the column under "Appropriations" are appropriated from the bond proceeds fund, or another named fund, to the state agencies or officials indicated, to be spent for public purposes. Appropriations of bond proceeds must be spent as authorized by the Minnesota Constitution, article XI, section 5, paragraph (a), to acquire and better public land and buildings and other public improvements of a capital nature, or as authorized by the Minnesota Constitution, article XI, section 5, paragraphs (b) to (j), or article XIV. Unless otherwise specified, the appropriations in this act are available until the project is completed or abandoned subject to Minnesota Statutes, section 16A.642.

SUMMARY

<u>University of Minnesota</u>	<u>\$23,000,000</u>
<u>Minnesota State Colleges and Universities</u>	<u>67,905,000</u>
<u>Education</u>	<u>5,780,000</u>
<u>Natural Resources</u>	<u>13,700,000</u>
<u>Board of Water and Soil Resources</u>	<u>1,000,000</u>
<u>Rural Finance Authority</u>	<u>35,000,000</u>
<u>Zoological Garden</u>	<u>4,000,000</u>
<u>Military Affairs</u>	<u>3,602,000</u>
<u>Transportation</u>	<u>29,500,000</u>
<u>Metropolitan Council</u>	<u>21,000,000</u>
<u>Human Services</u>	<u>24,000,000</u>
<u>Veterans Affairs</u>	<u>7,138,000</u>
<u>Corrections</u>	<u>5,000,000</u>
<u>Employment and Economic Development</u>	<u>700,000</u>
<u>Housing Finance Agency</u>	<u>4,000,000</u>
<u>Minnesota Historical Society</u>	<u>2,065,000</u>
<u>Bond Sale Expenses</u>	<u>245,000</u>
<u>TOTAL</u>	<u>\$247,635,000</u>
<u>Bond Proceeds Fund (General Fund Debt Service)</u>	<u>183,220,000</u>
<u>Bond Proceeds Fund (User Financed Debt Service)</u>	<u>47,635,000</u>
<u>Maximum Effort School Loan Fund</u>	<u>5,780,000</u>
<u>State Transportation Fund</u>	<u>11,000,000</u>

APPROPRIATIONSSec. 2. **UNIVERSITY OF MINNESOTA**Subdivision 1. **Total Appropriation****\$23,000,000**

APPROPRIATIONS

To the Board of Regents of the University of Minnesota for the purposes specified in this section.

Subd. 2. Higher Education Asset Preservation and Replacement (HEAPR)

20,000,000

To be spent in accordance with Minnesota Statutes, section 135A.046.

Subd. 3. Morris

National Solar Testing and Certification Laboratory

3,000,000

For the initiative for renewable energy and the environment to design, construct, furnish, and equip a national solar testing and certification laboratory to test, rate, and certify the performance of equipment and devices that utilize solar energy for heating and cooling air and water and for generating electricity.

Sec. 3. MINNESOTA STATE COLLEGES AND UNIVERSITIES

Subdivision 1. Total Appropriation

\$67,905,000

To the Board of Trustees of the Minnesota State Colleges and Universities for the purposes specified in this section.

Subd. 2. Higher Education Asset Preservation And Replacement (HEAPR)

30,000,000

For the purposes specified in Minnesota Statutes, section 135A.046, including safety and statutory compliance, building envelope integrity, mechanical systems, and space restoration.

Subd. 3. Lake Superior Community and Technical College

Health and Science Center Addition

11,000,000

To complete design of and to construct, furnish, and equip an addition to the Health and Science Center and to renovate existing spaces.

Subd. 4. Mesabi Range Community and Technical College, Eveleth

Carpentry and Industrial Mechanical Technology and Shops

5,000,000

To construct, furnish, and equip shop space for the industrial mechanical technology and carpentry programs. This appropriation includes funding for renovation of existing space for ADA compliance.

APPROPRIATIONS**Subd. 5. Metropolitan State University****Smart Classroom Center**4,980,000

To construct, furnish, and equip renovation of two floors of technology-enhanced classrooms and academic offices in the power plant building. This appropriation includes money to demolish the power plant annex to enable the new construction.

Subd. 6. Minnesota State College, Southeast Technical-Aviation Training Center

Notwithstanding Minnesota Statutes, section 136F.60, subdivision 5, the net proceeds of the sale or disposition of the Aviation Training Center in Winona operated by Minnesota State College - Southeast Technical, after paying all expenses incurred in selling the property and retiring any remaining debt attributable to the project, are appropriated to the board of trustees of the Minnesota State Colleges and Universities for use in a capital project at the Winona campus and need not be paid to the commissioner of finance, as would otherwise be required by Minnesota Statutes, section 16A.695, subdivision 3.

When the sale is complete and the sale proceeds have been applied as provided in this subdivision, Minnesota Statutes, section 16A.695, no longer applies to the property and the property is no longer state bond financed property.

Subd. 7. North Hennepin Community College**Center for Business and Technology**13,300,000

To construct, furnish, and equip an addition to the Center for Business and Technology and to renovate the center for classrooms and related space.

Subd. 8. Systemwide Initiatives**Classroom Renovation**3,625,000

To design, construct, furnish, and equip renovation of classroom and academic space. Campuses may use nonstate money to increase the size of the projects. This appropriation may be used only at the following campuses: Central Lakes College, Brainerd; Minnesota State Community Technical College, Moorhead and Wadena; Minnesota West Community Technical College, Pipestone; Northland Community Technical College, Thief River Falls; Pine Technical College, Pine City; and Rochester Community Technical College, Rochester.

APPROPRIATIONS**Subd. 9. Debt Service**

(a) The board shall pay the debt service on one-third of the principal amount of state bonds sold to finance projects authorized by this section, except for higher education asset preservation and replacement, and except that, where a nonstate match is required, the debt service is due on a principal amount equal to one-third of the total project cost, less the match committed before the bonds are sold. After each sale of general obligation bonds, the commissioner of finance shall notify the board of the amounts assessed for each year for the life of the bonds.

(b) The commissioner shall reduce the board's assessment each year by one-third of the net income from investment of general obligation bond proceeds in proportion to the amount of principal and interest otherwise required to be paid by the board. The board shall pay its resulting net assessment to the commissioner of finance by December 1 each year. If the board fails to make a payment when due, the commissioner of finance shall reduce allotments for appropriations from the general fund otherwise available to the board and apply the amount of the reduction to cover the missed debt service payment. The commissioner of finance shall credit the payments received from the board to the bond debt service account in the state bond fund each December 1 before money is transferred from the general fund under Minnesota Statutes, section 16A.641, subdivision 10.

Subd. 10. Unspent Appropriations

(a) Upon substantial completion of a project authorized in this section and after written notice to the commissioner of finance, the Board of Trustees must use any money remaining in the appropriation for that project for HEAPR under Minnesota Statutes, section 135A.046. The Board of Trustees must report by February 1 of each even-numbered year to the chairs of the house and senate committees with jurisdiction over capital investment and higher education finance, and to the chairs of the house Ways and Means Committee and the senate Finance Committee, on how the remaining money has been allocated or spent.

(b) The unspent portion of an appropriation for a project in this section that is complete, is available for higher education asset preservation and replacement under this subdivision, at the same campus as the project for which the original appropriation was made, and the debt service requirement under subdivision 8 is reduced accordingly. Minnesota Statutes, section 16A.642, applies from the date of the original appropriation to the unspent amount transferred.

APPROPRIATIONSSec. 4. **EDUCATION****Independent School District No. 38, Red Lake****\$5,780,000**

From the maximum effort school loan fund to the commissioner of education for a capital loan to Independent School District No. 38, Red Lake, as provided in Minnesota Statutes, sections 126C.60 to 126C.72, to design, construct, furnish, and equip renovation of existing facilities and construction of new facilities.

The project paid for with this appropriation includes a portion of the renovation and construction identified as Phase 4 in the review and comment performed by the commissioner of education under the capital loan provisions of Minnesota Statutes, section 126C.69. This portion includes renovation and construction of a single kitchen and cafeteria to serve the high school and middle school, a receiving area and dock, and adjacent drives, utilities, and grading.

Before any capital loan contract is approved under this authorization, the district must provide documentation acceptable to the commissioner on how the capital loan will be used.

Sec. 5. **NATURAL RESOURCES**Subdivision 1. **Total Appropriation****\$13,700,000**

To the commissioner of natural resources for the purposes specified in this section. The commissioner must allocate money appropriated in this section so as to maximize the use of all available federal money from the American Recovery and Reinvestment Act of 2009, Public Law 111-5, and any other federal funding.

The appropriations in this section are subject to the requirements of the natural resources capital improvement program under Minnesota Statutes, section 86A.12, unless this section or the statutes referred to in this section provide more specific standards, criteria, or priorities for projects than Minnesota Statutes, section 86A.12.

To the extent possible, any prairie restoration conducted with money appropriated in this section must plant vegetation or sow seed only of ecotypes native to Minnesota, and preferably of the local ecotype, using a high diversity of species originating from as close to the restoration site as possible, and protect existing native prairies from genetic contamination.

APPROPRIATIONS**Subd. 2. Statewide Asset Preservation**1,000,000

For the renovation of state-owned facilities operated by the commissioner of natural resources that can be substantially completed in calendar year 2009, as determined by the commissioner of natural resources, including renovation of buildings for energy efficiency, roof replacements, replacement of well and water treatment systems, road resurfacing, major culvert replacement and erosion control, water access rehabilitation, trail resurfacing and widening, and bridge replacement and rehabilitation.

Subd. 3. Flood Hazard Mitigation Grants12,700,000

For the state share of flood hazard mitigation grants for publicly owned capital improvements to prevent or alleviate flood damage under Minnesota Statutes, section 103F.161.

This appropriation includes money to maximize federal funds for projects in Ada, Breckenridge, and Roseau. Any remaining money from this appropriation is for the following projects as prioritized by the commissioner based on need:

(a) Agassiz Valley

(b) Albert Lea

(c) Austin

(d) Bois de Sioux Watershed District, North Ottawa project

(e) Crookston

(f) Granite Falls

(g) Hay Creek-Norland

(h) Inver Grove Heights

(i) Manston Slough

(j) Oakport Township

(k) Shell Rock River Watershed

(l) Spring Brook

(m) Two Rivers

APPROPRIATIONS

For any project listed in this subdivision that the commissioner determines is not ready to proceed or does not expend all the money allocated to it, the commissioner may allocate that project's money to a project on the commissioner's priority list.

To the extent that the cost of a project in Ada, Breckenridge, Crookston, Granite Falls, Oakport Township, or Roseau exceeds two percent of the median household income in the municipality multiplied by the number of households in the municipality, this appropriation is also for the local share of the project.

Sec. 6. **BOARD OF WATER AND SOIL RESOURCES**

RIM Conservation Reserve

\$1,000,000

To the Board of Water and Soil Resources to acquire conservation easements from landowners to preserve, restore, create, and enhance wetlands, restore and enhance rivers and streams, riparian lands, and associated uplands in order to protect soil and water quality, support fish and wildlife habitat, reduce flood damages, and other public benefits. The board must allocate money appropriated in this section so as to maximize the use of available federal funds. The provisions of Minnesota Statutes, section 103F.515, apply to this appropriation, except that the board may establish alternative payment rates for easements and practices to establish restored native prairies and to protect uplands. To the extent possible, prairie restorations conducted with money appropriated in this section must plant vegetation or sow seed only of ecotypes native to Minnesota, and preferably of the local ecotype, using a high diversity of species originating from as close to the restoration site as possible, and protect existing native prairies from genetic contamination. Of this appropriation, up to ten percent may be used to implement the program.

Sec. 7. **RURAL FINANCE AUTHORITY**

\$35,000,000

For the purposes set forth in the Minnesota Constitution, article XI, section 5, paragraph (h). To the Rural Finance Authority to purchase participation interests in or to make direct agricultural loans to farmers under Minnesota Statutes, chapter 41B. This appropriation is for the beginning farmer program under Minnesota Statutes, section 41B.039; the loan restructuring program under Minnesota Statutes, section 41B.04; the seller-sponsored program under Minnesota Statutes, section 41B.042; the agricultural improvement loan program under Minnesota Statutes, section 41B.043; and the livestock expansion loan program under Minnesota Statutes, section 41B.045. All debt service on bond proceeds used to finance this appropriation must be repaid by the Rural Finance Authority under Minnesota Statutes, section 16A.643. Loan participations must be priced to provide full interest and principal coverage and a reserve for potential losses. Priority for loans must be given first to basic beginning farmer loans, second to seller-sponsored loans, and third to agricultural improvement loans.

APPROPRIATIONSSec. 8. **MINNESOTA ZOOLOGICAL GARDEN****Asset Preservation and Improvement****\$4,000,000**

To the Minnesota Zoological Garden to design and construct capital asset preservation improvements and betterments to infrastructure and exhibits at the Minnesota Zoo.

Sec. 9. **MILITARY AFFAIRS****Asset Preservation****\$3,602,000**

To the adjutant general for asset preservation improvements and betterments of a capital nature at military affairs facilities, to be spent in accordance with Minnesota Statutes, section 16B.307. The adjutant general must allocate money appropriated in this section so as to maximize the use of all available federal funding.

This appropriation may be used for life safety improvements, to correct code deficiencies, for Americans with Disabilities Act alterations, and to improve energy efficiency at existing National Guard Training and Community Centers at Hastings, Hutchinson, Red Wing, and Winona; and to match federal stimulus money for backup heating and electricity improvements at Bemidji, Brainerd, Duluth, Inver Grove Heights, Jackson, Northeast Minneapolis, Rosemount, and St. Peter.

Sec. 10. **TRANSPORTATION**Subdivision 1. **Total Appropriation****\$29,500,000**

To the commissioner of transportation for the purposes specified in this section. The commissioner must allocate money appropriated in this section so as to maximize the use of all available federal money from the American Recovery and Reinvestment Act of 2009, Public Law 111-5, and any other federal funding.

Subd. 2. **Local Bridge Replacement and Rehabilitation****11,000,000**

This appropriation is from the bond proceeds account in the state transportation fund to match federal money and to replace or rehabilitate local deficient bridges as provided in Minnesota Statutes, section 174.50.

Political subdivisions may use grants made under this subdivision to construct or reconstruct bridges, including:

(1) matching federal-aid grants to construct or reconstruct key bridges;

APPROPRIATIONS

(2) paying the costs of preliminary engineering and environmental studies authorized under Minnesota Statutes, section 174.50, subdivision 6a;

(3) paying the costs to abandon an existing bridge that is deficient and in need of replacement, but where no replacement will be made; and

(4) paying the costs to construct a road or street to facilitate the abandonment of an existing bridge determined by the commissioner to be deficient, if the commissioner determines that construction of the road or street is more economical than replacement of the existing bridge.

Subd. 3. Rail Service Improvement3,000,000

For the rail service improvement program to be spent for the purposes set forth in Minnesota Statutes, section 222.50, subdivision 7.

Subd. 4. Commuter and Passenger Rail Corridor Projects7,500,000

To implement capital improvements and betterments for commuter and passenger rail projects identified in the statewide freight and passenger rail plan, under Minnesota Statutes, section 174.03, subdivision 1b.

Subd. 5. Minnesota Valley Railroad Track Rehabilitation5,000,000

For a grant to the Minnesota Valley Regional Railroad Authority to rehabilitate up to 95 miles of railroad track from Norwood-Young America to Hanley Falls. A grant under this subdivision is in addition to any grant, loan, or loan guarantee for this project made by the commissioner under Minnesota Statutes, sections 222.46 to 222.62.

Subd. 6. Port Development Assistance3,000,000

For grants under Minnesota Statutes, chapter 457A. Any improvements made with the proceeds of these grants must be publicly owned.

Sec. 11. METROPOLITAN COUNCIL**Transit Capital Improvement Program****\$21,000,000**

APPROPRIATIONS**To the Metropolitan Council:**

(a) to implement capital improvements and betterments identified in the council's transit capital improvement program under Minnesota Statutes, section 473.3992, including acquisition of land and right-of-way, design, preliminary engineering, environmental analysis and mitigation, engineering, and construction; and

(b) for capital improvements to facilities for which federal funding is available.

The council must allocate money appropriated in this section so as to maximize the use of all available federal money from the American Recovery and Reinvestment Act of 2009, Public Law 111-5, and any other available federal funds.

Sec. 12. HUMAN SERVICES**Subdivision 1. Total Appropriation****\$24,000,000**

To the commissioner of administration, or another named agency, for the purposes specified in this section. The commissioner must allocate money appropriated in this section so as to maximize the use of all available federal funding.

Subd. 2. Asset Preservation**2,000,000**

For asset preservation improvements and betterments of a capital nature at Department of Human Services facilities statewide, in accordance with Minnesota Statutes, section 16B.307.

Subd. 3. Minnesota Sex Offender Program Moose Lake Expansion**20,000,000**

For infrastructure for phase 2 of the expansion of the Moose Lake Sex Offender Treatment Facility.

Subd. 4. Early Childhood Learning and Child Protection Facilities**2,000,000**

To the commissioner of human services for grants to construct and rehabilitate facilities for programs under Minnesota Statutes, section 256E.37.

Sec. 13. VETERANS AFFAIRS**Subdivision 1. Total Appropriation****\$7,138,000**

To the commissioner of administration for the purposes specified in this section. The commissioner must allocate money appropriated in this section so as to maximize the use of all available federal funding.

APPROPRIATIONS**Subd. 2. Asset Preservation****2,138,000**

For asset preservation improvements and betterments of a capital nature at veterans homes statewide, to be spent in accordance with Minnesota Statutes, section 16B.307. Of this, \$600,000 is for HVAC replacement and foundation waterproofing in building 4 at the Minneapolis Veterans Home, and \$350,000 is for roof replacement projects at the Hastings Veterans Home.

Subd. 3. Veterans Residential Mental Health Nursing Facility, Kandiyohi County**5,000,000**

To design, construct, furnish, and equip a 90-bed facility in Kandiyohi County to provide residential mental health nursing services to veterans, as described in section 47. This appropriation is not available until the commissioner determines that sufficient funds to complete the project have been committed from nonstate sources.

Sec. 14. CORRECTIONS**\$5,000,000**

To the commissioner of administration for improvements and betterments of a capital nature at Minnesota correctional facilities statewide, in accordance with Minnesota Statutes, section 16B.307.

Sec. 15. EMPLOYMENT AND ECONOMIC DEVELOPMENT**Redevelopment Account****\$700,000**

To the commissioner of employment and economic development for the purposes of the redevelopment account under Minnesota Statutes, section 116J.571.

Sec. 16. HOUSING FINANCE AGENCY**\$4,000,000**

To the Housing Finance Agency for the purposes of financing the rehabilitation costs to preserve public housing. For purposes of this section, "public housing" is housing for low-income persons and households financed by the federal government and owned and operated by public housing authorities and agencies. Eligible public housing authorities must have a public housing assessment system rating of standard or above. Priority must be given to proposals that maximize federal or local resources to finance the capital costs.

Sec. 17. MINNESOTA HISTORICAL SOCIETY**Historic Sites Asset Preservation****\$2,065,000**

APPROPRIATIONS

To the Minnesota Historical Society for capital improvements and betterments at state historic sites, buildings, landscaping at historic buildings, exhibits, markers, and monuments, to be spent in accordance with Minnesota Statutes, section 16B.307. Notwithstanding that section, up to \$527,000 may be used to design projects eligible for future funding. The society shall determine project priorities as appropriate based on need.

Sec. 18. **BOND SALE EXPENSES****\$245,000**

To the commissioner of finance for bond sale expenses under Minnesota Statutes, section 16A.641, subdivision 8.

Sec. 19. **BOND SALE SCHEDULE.**

The commissioner of finance shall schedule the sale of state general obligation bonds so that, during the biennium ending June 30, 2011, no more than \$1,074,985,000 will need to be transferred from the general fund to the state bond fund to pay principal and interest due and to become due on outstanding state general obligation bonds. During the biennium, before each sale of state general obligation bonds, the commissioner of finance shall calculate the amount of debt service payments needed on bonds previously issued and shall estimate the amount of debt service payments that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the amount of bonds scheduled to be sold so as to remain within the limit set by this section. The amount needed to make the debt service payments is appropriated from the general fund as provided in Minnesota Statutes, section 16A.641.

Sec. 20. **BOND SALE AUTHORIZATION.**

Subdivision 1. **Bond proceeds fund.** To provide the money appropriated in this act from the bond proceeds fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$230,855,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. **Maximum effort school loan fund.** To provide the money appropriated in this act from the maximum effort school loan fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$5,780,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the maximum effort school loan fund.

Subd. 3. **Transportation fund bond proceeds account.** To provide the money appropriated in this act from the state transportation fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$11,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the state transportation fund.

Sec. 21. Minnesota Statutes 2008, section 16A.641, subdivision 4, is amended to read:

Subd. 4. **Sale and issuance.** State bonds ~~must~~ may be sold and issued ~~upon competitive bids at public or negotiated sale~~ in the manner and on the terms and conditions determined by the commissioner in accordance with the laws authorizing them and subject to the approval of the attorney general, but not subject to chapter 14, including section 14.386. For each series, in addition to provisions required by subdivision 3, the commissioner may determine:

(1) the time, place, and form of notice of sale and for competitive bids and requests for proposals for negotiated sales;

(2) method of comparing bids;

~~(2)~~ (3) the price, not less than par for highway bonds;

~~(3)~~ (4) the principal amount and date of issue;

~~(4)~~ (5) the interest rates and payment dates;

~~(5)~~ (6) the maturity amounts and dates, not more than 20 years from the date of issue, subject to subdivision 5;

~~(6)~~ (7) the terms, if any, on which the bonds may or must be redeemed before maturity, including notice, times, and redemption prices; and

~~(7)~~ (8) the form of the bonds and the method of execution, delivery, payment, registration, conversion, and exchange, in accordance with section 16A.672.

Sec. 22. Minnesota Statutes 2008, section 16A.641, subdivision 7, is amended to read:

Subd. 7. **Credit of proceeds.** (a) Proceeds of bonds issued under each law must be credited by the commissioner to a special fund, as provided in this subdivision.

(b) Accrued interest ~~and any premium~~ received on sale of the bonds must be credited to the state bond fund created by the Constitution, article XI, section 7. Premium received on the sale of the bonds must be credited either to the state bond fund or to the bond proceeds fund where it is used to reduce the par amount of the bonds issued. Premium may only be credited to the bond proceeds fund and used to reduce the par amount if it does not cause an increase in the general fund debt service transfer for the biennium during which the bonds are sold, as estimated by the commissioner.

(c) Except as otherwise provided by law, proceeds of state bonds issued under the Constitution, article XI, section 5, clause (a), must be credited to the bond proceeds fund established by section 16A.631.

(d) Proceeds of state highway bonds must be credited to the trunk highway fund under the Constitution, article XIV, section 6.

(e) Proceeds of bonds issued for programs of grants or loans to political subdivisions must be credited to special accounts in the bond proceeds fund or to special funds established by laws stating the purposes of the grants or loans, and the standards and criteria under which an executive agency is authorized to make them.

(f) Proceeds of refunding bonds must be credited to the state bond fund as provided in section 16A.66, subdivision 1.

(g) Proceeds of other bonds must be credited as provided in the law authorizing their issuance.

Sec. 23. **[16A.6455] MINNESOTA FIRST BONDS.**

Subdivision 1. **Program established.** The commissioner of finance may establish the Minnesota first bond program to encourage individuals to invest in state general obligation bonds. The program consists of:

(1) issuing a portion of the state general obligation bonds in denominations and maturities that will be attractive to individuals; and

(2) developing a program for marketing the bonds to investors.

Subd. 2. **Denominations.** The commissioner shall determine the appropriate denominations and maturities for the Minnesota first bonds. It is the intent of the legislature to make bonds available in as small denominations as is feasible given the costs of marketing and administering the bond issue. Minimum denominations of \$1,000 must be made available. The minimum denomination bonds need not be made available for bonds of all maturities. If a zero coupon bond is sold, "denomination" means the compounded maturity amount of the bond.

Subd. 3. **Direct sale permitted.** The commissioner may sell any series of savings bonds directly to the public or to financial institutions for prompt resale to the public upon the terms and conditions and the restrictions the commissioner prescribes. The commissioner may enter into all contracts deemed necessary or desirable to accomplish the sale in a cost-effective manner including a private or negotiated sale, but the commissioner may contract for investment banking and banking services only after receiving competitive proposals for the services.

Subd. 4. **Marketing plan.** The commissioner shall develop a plan for marketing Minnesota first bonds. The plan must include strategies to:

(1) inform the public about the availability of the bonds;

(2) take orders for the bonds;

(3) target the sale of the bonds to Minnesota residents; and

(4) market the bonds at the lowest cost to the state.

Sec. 24. Minnesota Statutes 2008, section 16A.66, subdivision 2, is amended to read:

Subd. 2. **Special provisions for sale and issuance.** Refunding bonds may be sold ~~publicly at public or negotiated sale~~, or directly to the State Board of Investment without bids, or may be exchanged for bonds refunded by agreement with their holders. The refunding bonds must be prepared, executed, delivered, and secured in the same way as the refunded bonds. The proceeds of refunding bonds may be deposited, invested, and applied to accomplish the refunding as provided in section 475.67, subdivisions 5 to 10 and 13. The interest rate on refunding bonds may exceed that on the refunded bonds if the purpose of refunding is to extend the maturities and to reduce the amount needed annually to pay and to secure the debt.

Sec. 25. Minnesota Statutes 2008, section 16A.86, subdivision 2, is amended to read:

Subd. 2. **Budget request.** A political subdivision that requests an appropriation of state money for a local capital improvement project is encouraged to submit the request to the commissioner of finance by July 15 of an odd-numbered year to ensure its full consideration. The requests must be submitted in the form and with the supporting documentation required by the commissioner of finance. All requests timely received by the commissioner must be ~~forwarded~~ submitted to the legislature, along with ~~agency requests~~ the governor's recommendations, whether or not the governor recommends that a request be funded, by the deadline established in section 16A.11, subdivision 1.

Sec. 26. Minnesota Statutes 2008, section 16A.86, is amended by adding a subdivision to read:

Subd. 3a. **Information provided.** All requests for state assistance under this section must include the following information:

(1) the name of the political subdivision that will own the capital project for which state assistance is being requested;

(2) the public purpose of the project;

(3) the extent to which the political subdivision has or expects to provide local, private, user financing, or other nonstate funding for the project;

(4) a list of the bondable activities that the project encompasses; examples of bondable activities are public improvements of a capital nature for land acquisition, predesign, design, construction, and furnishing and equipping for occupancy;

(5) whether the project will require new or additional state operating subsidies;

(6) whether the governing body of the political subdivision requesting the project has passed a resolution in support of the project and has established priorities for all projects within its jurisdiction for which bonding appropriations are requested when submitting multiple requests; and

(7) if the project requires a predesign under section 16B.335, whether the predesign has been completed at the time the capital project request is submitted, and whether the political subdivision has submitted the project predesign to the commissioner of administration for review and approval.

Sec. 27. **[84.946] NATURAL RESOURCES ASSET PRESERVATION AND REPLACEMENT (NRAPR).**

Subdivision 1. **Purpose.** The legislature recognizes that the Department of Natural Resources owns and operates capital assets that in number, size, and programmatic use differ significantly from the capital assets owned and operated by other state departments and agencies. However, the legislature recognizes the need for standards to aid in categorizing and funding capital projects. The purpose of this section is to provide standards for those natural resource projects that are intended to preserve and replace existing facilities.

Subd. 2. **Standards.** (a) An appropriation for asset preservation may be used only for a capital expenditure on a capital asset previously owned by the state, within the meaning of generally accepted accounting principles as applied to public expenditures. The commissioner of natural resources will consult with the commissioner of finance to the extent necessary to ensure this and will furnish the commissioner of finance a list of projects to be financed from the account in order of their priority. The legislature assumes that many projects for preservation and replacement of portions of existing capital assets will constitute betterments and capital improvements within the meaning of the Constitution and capital expenditures under generally accepted accounting principles, and will be financed more efficiently and economically under this section than by direct appropriations for specific projects.

(b) An appropriation for asset preservation must not be used to acquire land or to acquire or construct buildings or other facilities.

(c) Capital budget expenditures for natural resource asset preservation and replacement projects must be for one or more of the following types of capital projects that support the existing programmatic mission of the department: code compliance including health and safety, Americans with Disabilities Act requirements, hazardous material

abatement, access improvement, or air quality improvement; building energy efficiency improvements using current best practices; building or infrastructure repairs necessary to preserve the interior and exterior of existing buildings; or renovation of other existing improvements to land, including but not limited to trails and bridges.

(d) Up to ten percent of an appropriation awarded under this section may be used for design costs for projects eligible to be funded from this account in anticipation of future funding from the account.

Subd. 3. **Reporting priorities.** The commissioner of natural resources must establish priorities within its natural resource asset preservation and replacement projects. By January 15 of each year, the commissioner must submit to the commissioner of finance and to the chairs of the house and senate committees with jurisdiction over environment and natural resources finance and capital investment a list of the projects that have been paid for with money from a natural resource asset preservation and replacement appropriation during the preceding calendar year as well as a list of those priority projects for which natural resource asset preservation and replacement appropriations will be sought in that year's legislative session.

Sec. 28. Minnesota Statutes 2008, section 85.015, is amended by adding a subdivision to read:

Subd. 26. **Great River Ridge Trail, Wabasha and Olmsted Counties.** The trail shall originate in the city of Plainview in Wabasha County and extend southwesterly through the city of Elgin in Wabasha County and the town of Viola in Olmsted County to the Chester Woods Trail in Olmsted County.

EFFECTIVE DATE. This section is effective retroactively from June 2, 2006.

Sec. 29. Minnesota Statutes 2008, section 134.45, is amended by adding a subdivision to read:

Subd. 8. **Sale of public library funded with state bond proceeds.** If the commissioner of education and the local or regional governmental entity that owns a public library that has been improved with state bond proceeds under this section determines that the library is no longer usable or needed for the purposes for which the grant of state bond funds was made, the owner of the public library may sell the property in the manner authorized by law for the sale of other property owned by that jurisdiction for its fair market value. The sale must be approved by the commissioner of finance. Notwithstanding section 16A.695, subdivision 3, clause (2), the net proceeds must be applied as follows: first, to pay the state the amount of state bond proceeds used to acquire or better the property; and second, any remaining amount must be paid to the local or regional governmental owner of the property sold. When the sale is complete and the sale proceeds have been applied as provided in this subdivision, section 16A.695 no longer applies to the property and the property is no longer state bond financed property.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to the sale of public library property on or after that date.

Sec. 30. Minnesota Statutes 2008, section 135A.046, subdivision 2, is amended to read:

Subd. 2. **Standards.** Capital budget expenditures for Higher Education Asset Preservation and Replacement (HEAPR) projects must be for one or more of the following: code compliance including health and safety, Americans with Disabilities Act requirements, hazardous material abatement, access improvement, or air quality improvement; building energy efficiency improvements using current best practices; or building or infrastructure repairs necessary to preserve the interior and exterior of existing buildings; or renewal to support the existing programmatic mission of the campuses. Up to ten percent of an appropriation awarded under this section may be used for design costs for projects eligible to be funded from this account in anticipation of future funding from the account.

Sec. 31. Minnesota Statutes 2008, section 174.03, subdivision 1b, is amended to read:

Subd. 1b. **Statewide freight and passenger rail plan.** (a) The commissioner shall develop a comprehensive statewide freight and passenger rail plan to be included and revised as a part of the statewide transportation plan.

(b) Before the initial version of the plan is adopted, the commissioner shall provide a copy for review and comment to the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over transportation policy and finance. Notwithstanding paragraph (a), the commissioner may adopt the next revision of the statewide transportation plan, scheduled to be completed in calendar year 2009, prior to completion of the initial version of the comprehensive statewide freight and passenger rail plan.

(c) The plan must identify the corridors and the capital improvements and betterments to be made. Capital improvements and betterments include preliminary engineering, design, engineering, environmental analysis and mitigation, acquisition of land and right-of-way, and construction. Capital improvements and betterments do not include planning, feasibility studies, or alternatives analysis. The plan must specify criteria for determining the priority for allocation of funds among the projects and routes.

Sec. 32. **[174.632] COMMISSIONER'S DUTIES.**

The planning, design, development, construction, operation, and maintenance of passenger rail track, facilities, and services are governmental functions, serve a public purpose, and are a matter of public necessity. The commissioner is responsible for all aspects of planning, designing, developing, constructing, equipping, operating, and maintaining passenger rail, including system planning, alternatives analysis, environmental studies, preliminary engineering, final design, construction, negotiating with railroads, and developing financial and operating plans. The commissioner may enter into a memorandum of understanding or agreement with a public or private entity, including a regional railroad authority, a joint powers board, and a railroad, to carry out these activities.

Sec. 33. **[174.634] PASSENGER RAIL FUNDING.**

The commissioner may apply for funding from federal, state, regional, local, and private sources to carry out the commissioner's duties in section 174.632.

Sec. 34. **[174.636] EXERCISE OF POWER; PASSENGER RAIL.**

(a) The commissioner has all powers necessary to carry out the duties specified in section 174.632. In the exercise of those powers, the commissioner may acquire by purchase, gift, or by eminent domain proceedings as provided by law, all land and property necessary to preserve future passenger rail corridors or to construct, maintain, and improve passenger rail corridors, to let all necessary contracts as provided by law, and to make agreements with and cooperate with any governmental authority or private entity to carry out statutory duties related to passenger rail.

(b) The commissioner shall consult with metropolitan planning organizations and regional rail authorities in areas where passenger rail corridors are under consideration to ensure that passenger rail services are integrated with existing rail and transit services and other transportation facilities to provide as nearly as possible connected, efficient, and integrated services.

Sec. 35. **[174.638] FUNDING.**

Section 174.88 does not apply to the commissioner's performance of duties and exercise of powers under sections 174.632 to 174.636.

Sec. 36. Minnesota Statutes 2008, section 174.88, subdivision 2, is amended to read:

Subd. 2. **Expenditure of state funds.** The commissioner shall not spend any state funds for construction or equipment of commuter rail facilities unless the funds have been appropriated by law specifically for those purposes. ~~The commissioner shall not spend state funds to study commuter rail unless the funds are appropriated in legislation that identifies the route, including origin and destination.~~

Sec. 37. **[473.3992] TRANSIT CAPITAL IMPROVEMENT PROGRAM.**

Subdivision 1. **Establishment.** A transit capital improvement program is established to prioritize among eligible public projects to be funded from state bond proceeds appropriated to the council that are distinctly specified for transit capital improvements throughout the metropolitan area through the acquisition and betterment of public land and buildings and other public improvements and the construction, improvement, and maintenance of transit capital improvements, which may include the state trunk highway system.

Subd. 2. **Definition.** For purposes of this section, "transit capital improvement" means a busway corridor, express bus corridor with transit advantages, bus rapid transit, light rail transit, or commuter rail.

Subd. 3. **Program standards; criteria.** Article XI, section 5, clause (a), of the Constitution provides that state general obligation bonds may be issued to finance the acquisition and betterment of public land and buildings and other public improvements of a capital nature. Article XI, section 5, clause (e), and article XIV, sections 1, 2, 6, and 11, of the Constitution provide that state general obligation trunk highway bonds may be issued to finance capital projects that are part of, or functionally related to, the construction, improvement, or maintenance of the state trunk highway system. In interpreting these provisions and applying them to the purpose of the program established in this section, the following standards are adopted for determining the priority among eligible transit capital improvement projects to be funded under the program, provided such funding is otherwise consistent with the appropriation of state bond proceeds and all other laws, regulations, and orders applicable to the expenditure of state bond proceeds as determined by the commissioner of finance.

(a) A cost will be an eligible expenditure under this program only when it is a capital expenditure on a capital asset, owned or to be owned by the state, an agency of the state, or a political subdivision of the state, within the meaning of accepted accounting principles as applied to public expenditures. Eligible expenditures may include acquisition, predesign, design, environmental testing and mitigation, utility relocation, traffic mitigation, construction, demolition, furnishing, equipping, and renovating of projects as authorized by law. Notwithstanding any law to the contrary, a portion or a phase of a transit capital improvement project may be accomplished with one or more state appropriations, and a transit capital improvement project need not be completed with any one appropriation.

(b) The council will review eligible transit capital improvement projects and must make allocations of state bond proceeds among such projects based upon the program standards of this subdivision and the following specific criteria:

- (1) the ability to use nonstate funds to match state funds, including use of all available federal funds for a project;
- (2) expansion of transit capital improvements and use by the public;
- (3) urgency in providing for the transit capital improvement;
- (4) necessity in ensuring transportation options;
- (5) consistency with the council's transportation policy plan; and

(6) additional criteria for priorities otherwise specified in state law, statute, rule, or regulation applicable to a transit capital improvement, including the state law authorizing the state bond fund appropriation for the transit capital improvement.

(c) Criteria can be stated only in general terms, since it is a purpose of the program to improve the allocation of limited amounts of available funds by enlisting the knowledge and experience of the council in determining relative needs as they develop.

(d) The criteria in paragraph (b) are not listed in a rank order of priority.

(e) The council may enter into a memorandum of understanding or agreement with a county or county regional rail authority to carry out the activities of this program.

Subd. 4. **Report.** By January 15 of each year, the council shall submit to the commissioner of finance, the chairs of the legislative committees or divisions that oversee appropriations to the council, and to the chairs of the senate and the house of representatives capital investment committees, a list of the projects that have been funded with state general obligation bond proceeds under this program during the preceding calendar year, as well as a list of those projects for which state general obligation bond proceeds appropriations are anticipated to be sought under this program during that year's legislative session.

EFFECTIVE DATE; APPLICATION. This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 38. Laws 2005, chapter 20, article 1, section 23, subdivision 16, as amended by Laws 2008, chapter 179, section 58, is amended to read:

Subd. 16. Minneapolis

(a) Minnesota Planetarium 22,000,000

For a grant to Hennepin County to complete design and to construct, furnish, and equip a new Minnesota planetarium and space discovery center in conjunction with the Minneapolis downtown library. Notwithstanding Minnesota Statutes, section 16A.642, the bond authorization and appropriation of bond proceeds for this project are available until December 31, 2012.

(b) Heritage Park

Any unspent balance remaining on December 31, 2004, in the appropriation made by Laws 2000, chapter 492, article 1, section 22, subdivision 10, for a grant to the city of Minneapolis, may be used by the city for improvements to the Heritage Park project.

(c) Minnesota Shubert Center 1,000,000

For a grant to the city of Minneapolis to predesign and design and provide for related capital costs for an associated atrium to create the Minnesota Shubert Center.

Sec. 39. Laws 2006, chapter 258, section 20, subdivision 7, is amended to read:

Subd. 7. Minnesota correctional facility - Stillwater

Segregation Unit 19,580,000

To complete design and to construct, furnish, and equip a new 150-bed segregation unit and reconstruct the old segregation unit.

Sec. 40. Laws 2006, chapter 258, section 21, subdivision 5, is amended to read:

Subd. 5. Greater Minnesota Business Development Infrastructure Grant Program

7,750,000

For grants under Minnesota Statutes, section 116J.431.

\$250,000 is for a grant to Polk County to build approximately one mile of ten-ton road to provide access to a new proposed ethanol plant outside of the city of Erskine.

\$1,400,000 is for a grant to the city of LaCrescent for public infrastructure made necessary by the reconstruction of a highway and a bridge.

Sec. 41. Laws 2006, chapter 258, section 21, subdivision 6, as amended by Laws 2008, chapter 179, section 65, is amended to read:

Subd. 6. Redevelopment Account

9,000,000

For purposes of the redevelopment account under Minnesota Statutes, section 116J.571.

\$800,000 is for a grant to the city of Worthington to remediate contaminated soil and redevelop the site of the former Campbell Soup factory. This grant is exempt from the requirements of Minnesota Statutes, sections 116J.572 to 116J.575. Notwithstanding Minnesota Statutes, section 16A.642, the bond authorization and appropriation of the bond proceeds for this project are available until December 31, 2012.

\$250,000 is for a grant to the city of Winona to predesign facilities for a multipurpose events center and arena to be used for the Shakespeare Festival, Beethoven Festival, and Winona State University events. This grant is exempt from the requirements of Minnesota Statutes, sections 116J.572 to 116J.575.

Sec. 42. Laws 2006, chapter 258, section 23, subdivision 3, as amended by Laws 2008, chapter 179, section 68, is amended to read:

Subd. 3. Historic Fort Snelling Museum and Visitor Center

1,100,000

To predesign and design the historic Fort Snelling Museum and Visitor Center and other site improvements to revitalize historic Fort Snelling.

Sec. 43. Laws 2008, chapter 179, section 3, subdivision 12, as amended by Laws 2008, chapter 365, section 17, is amended to read:

Subd. 12. **Metropolitan State University**

(a) **Smart Classroom Center** 4,980,000

To construct, furnish, and equip renovation of two floors of technology-enhanced classrooms and academic offices in the power plant building. This appropriation includes money to demolish the power plant annex to enable the new construction. * (The preceding text beginning "(a) Smart Classroom Center" was indicated as vetoed by the governor.)

(b) **Law Enforcement Training Center** 13,900,000

To complete design of and to construct, furnish, and equip, in cooperation with Minneapolis Community and Technical College, a colocated Law Enforcement Training Center on the campus of Hennepin Technical College in Brooklyn Park. The board may use up to \$2,000,000 of funds from each college or university, or other nonstate money for the remainder of the cost of design and construction of this project.

Sec. 44. Laws 2008, chapter 179, section 3, subdivision 21, is amended to read:

Subd. 21. **Owatonna College and University Center**

Property Acquisition 3,500,000

To acquire the Owatonna College and University Center Building in Steele County, including the purchase of adjacent vacant land and for minor capital improvements to the property.

Sec. 45. Laws 2008, chapter 179, section 3, subdivision 25, is amended to read:

Subd. 25. **St. Cloud State University**

(a) **Brown Science Hall Renovation** 14,800,000

To complete design of and to construct, furnish, and equip a renovation of Brown Hall for classrooms, science laboratories, and other instructional and ancillary spaces. This appropriation includes funding to reglaze the existing skyway from the building and to construct a new skyway to Centennial Hall.

This appropriation may also be used to complete design and construction drawings for the Science and Engineering Lab authorized in paragraph (b) and to demolish building number 801.

(b) Science and Engineering Lab

900,000

To design an integrated science and engineering laboratory and student and academic support building.

Sec. 46. PASSENGER RAIL REPORT.

By February 1, 2010, the commissioner of transportation shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance concerning the status of passenger rail in this state. The report must be made electronically and made available in print only upon request. The report must include a summary of the current status of passenger rail projects and recommend:

- (1) a public participation process for intercity passenger rail planning;
- (2) appropriate participation and levels of review by local units of government;
- (3) future sources of funding for capital costs and operations;
- (4) definitions to distinguish passenger rail from commuter rail;
- (5) legislative changes to facilitate and improve the passenger rail planning processes and operation; and
- (6) state operating subsidy mechanisms designed to create local tax equity between communities served by passenger rail and communities served by commuter rail.

Sec. 47. VETERANS RESIDENTIAL MENTAL HEALTH NURSING FACILITY, KANDIYOHI COUNTY.

(a) Services provided by the veterans residential mental health nursing facility in Kandiyohi County must include, but are not limited to:

- (1) geriatric care for mentally ill veterans who have severe behavior problems;
- (2) inpatient treatment, including long-term and domiciliary care, for veterans with traumatic brain injury;
- (3) inpatient treatment services, including long-term and domiciliary care, for veterans with post-traumatic stress disorder;
- (4) inpatient treatment for veterans with a dual diagnosis of mental illness and chemical dependency;
- (5) long-term and domiciliary care for any veteran; and
- (6) standard long-term care.

(b) The facility shall accept referrals from veterans homes in the state.

(c) The commissioner of veterans affairs shall seek private funding to develop a public-private partnership to provide services for veterans with traumatic brain injury and with post-traumatic stress disorder, and for veterans who have a dual diagnosis of mental illness and chemical dependency.

(d) The commissioner of veterans affairs shall seek all sources of federal funding available for long-term and domiciliary care and for treatment of post-traumatic stress disorder and traumatic brain injury.

(e) The commissioner shall seek funding from state and federal sources to fund traumatic brain injury research at this facility.

Sec. 48. **REPEALER.**

Minnesota Statutes 2008, sections 16A.86, subdivision 3; 116.156; and 473.399, subdivision 4, and Laws 2008, chapter 179, section 8, subdivision 3, are repealed.

Sec. 49. **EFFECTIVE DATE.**

Except as otherwise provided, this act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to capital improvements; authorizing spending to acquire and better public land and buildings and other improvements of a capital nature with certain conditions; establishing new programs and modifying existing programs; authorizing the sale of state bonds; repealing and modifying previous appropriations; appropriating money; amending Minnesota Statutes 2008, sections 16A.641, subdivisions 4, 7; 16A.66, subdivision 2; 16A.86, subdivision 2, by adding a subdivision; 85.015, by adding a subdivision; 134.45, by adding a subdivision; 135A.046, subdivision 2; 174.03, subdivision 1b; 174.88, subdivision 2; Laws 2005, chapter 20, article 1, section 23, subdivision 16, as amended; Laws 2006, chapter 258, sections 20, subdivision 7; 21, subdivisions 5, 6, as amended; 23, subdivision 3, as amended; Laws 2008, chapter 179, section 3, subdivisions 12, as amended, 21, 25; proposing coding for new law in Minnesota Statutes, chapters 16A; 84; 174; 473; repealing Minnesota Statutes 2008, sections 16A.86, subdivision 3; 116.156; 473.399, subdivision 4; Laws 2008, chapter 179, section 8, subdivision 3."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Ways and Means.

The report was adopted.

Mariani from the Committee on K-12 Education Policy and Oversight to which was referred:

H. F. No. 898, A bill for an act relating to environment; adding greenhouse gas reduction goals and strategies to various state and metropolitan programs and plans; establishing goals for per capita reduction in vehicle miles traveled to reduce greenhouse gases; transferring and appropriating money; amending Minnesota Statutes 2008, sections 103B.3355; 116D.04, by adding a subdivision; 123B.70, subdivision 1; 123B.71, subdivision 9; 473.121, by adding a subdivision; 473.145; 473.146, by adding a subdivision; 473.25; 473.856; 473.858, subdivisions 1, 2; 473.864, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 116C; 174.

Reported the same back with the following amendments:

Page 4, delete section 5 and insert:

"Sec. 5. Minnesota Statutes 2008, section 123B.70, subdivision 1, is amended to read:

Subdivision 1. **Commissioner approval.** (a) In determining whether to give a school facility a positive, negative, or unfavorable review and comment, the commissioner must evaluate the proposals for facilities using the information provided under section 123B.71, subdivision 9.

(b) In the case of a proposal for a new school, the local school board retains the authority to determine the minimum acreage needed to accommodate the school and related facilities. The commissioner may evaluate the proposals but must not issue a negative or unfavorable review and comment under this section for a school facility solely based on too little acreage of the proposed school site.

(c) In the case of a proposal to renovate an existing school, the local school board retains the authority to determine whether to renovate an existing school or to build a new school regardless of the acreage of the current school site or the cost of the renovation relative to the cost of building a new school. The commissioner's evaluation of whether to replace a facility must not be solely based upon the ratio of renovation costs to the cost of replacement.

EFFECTIVE DATE. This section is effective for review and comments issued after July 1, 2009.

Page 6, line 8, strike "and"

Page 6, line 12, strike the period and insert "; and"

Page 6, after line 12, insert:

"(16) any existing information from the relevant local unit of government about the cumulative costs to provide infrastructure to serve the school, such as utilities, sewer, roads, and sidewalks."

With the recommendation that when so amended the bill pass and be re-referred to the Transportation and Transit Policy and Oversight Division.

The report was adopted.

Mullery from the Committee on Civil Justice to which was referred:

H. F. No. 914, A bill for an act relating to financial institutions; regulating payday lending; providing penalties and remedies; amending Minnesota Statutes 2008, sections 47.60, subdivisions 4, 6; 53.09, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 47.

Reported the same back with the following amendments:

Page 2, line 16, delete "2010" and insert "2009"

Page 3, line 6, after the period, insert "A "consumer short-term loan" does not include any transaction made under chapter 325J."

Page 3, line 15, after "the" insert "state of"

Page 3, line 16, delete "courts"

Page 4, line 15, delete "six" and insert "five"

Page 4, delete line 17

Page 4, line 18, delete "(iv)" and insert "(iii)"

Page 4, line 19, delete "(v)" and insert "(iv)"

Page 4, line 25, after "(a)" insert "Except for a "bona fide error" as set forth under United States Code, chapter 15, section 1640, subsection (c)."

Page 4, delete lines 32 to 34 and insert:

"(b) In addition to the remedies provided in paragraph (a), a loan is void, and the borrower is not obligated to pay any amounts owing if the loan is made:

(1) by a consumer short-term lender who has not obtained an applicable license from the commissioner;

(2) in violation of any provision of subdivision 2, 3, 4, or 5; or

(3) in which interest, fees, charges, or loan amounts exceed the interest, fees, charges, or loan amounts allowable under sections 47.59, subdivision 6, and 47.60, subdivision 2."

Page 5, line 20, delete "2010" and insert "2009"

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 925, A bill for an act relating to employment; expanding the official measure of unemployment.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 116J.401, subdivision 2, is amended to read:

Subd. 2. **Duties.** The commissioner of employment and economic development shall:

(1) provide regional development commissions, the Metropolitan Council, and units of local government with information, technical assistance, training, and advice on using federal and state programs;

(2) receive and administer the Small Cities Community Development Block Grant Program authorized by Congress under the Housing and Community Development Act of 1974, as amended;

(3) receive and administer the section 107 technical assistance program grants authorized by Congress under the Housing and Community Development Act of 1974, as amended;

(4) receive, administer, and supervise other state and federal grants and grant programs for planning, community affairs, community development purposes, employment and training services, and other state and federal programs assigned to the department by law or by the governor in accordance with section 4.07;

(5) receive applications for state and federal grants and grant programs for planning, community affairs, and community development purposes, and other state and federal programs assigned to the department by law or by the governor in accordance with section 4.07;

(6) act as the agent of, and cooperate with, the federal government in matters of mutual concern, including the administration of any federal funds granted to the state to aid in the performance of functions of the commissioner;

(7) provide consistent, integrated employment and training services across the state;

(8) administer the Wagner-Peyser Act, the Workforce Investment Act, and other federal employment and training programs;

(9) establish the standards for all employment and training services administered under this chapter and chapters 116L, 248, 268, and 268A;

(10) administer the aspects of the Minnesota family investment program, general assistance, and food stamps that relate to employment and training services, subject to the contract under section 116L.86, subdivision 1;

(11) obtain reports from local service units and service providers for the purpose of evaluating the performance of employment and training services;

(12) as requested, certify employment and training services, and decertify services that fail to comply with performance criteria according to standards established by the commissioner;

(13) develop standards for the contents and structure of the local service unit plans and plans for Indian tribe employment and training services, review and comment on those plans, and approve or disapprove the plans;

(14) supervise the county boards of commissioners, local service units, and any other units of government designated in federal or state law as responsible for employment and training programs;

(15) establish administrative standards and payment conditions for providers of employment and training services;

(16) enter into agreements with Indian tribes as necessary to provide employment and training services as appropriate funds become available;

(17) cooperate with the federal government and its employment and training agencies in any reasonable manner as necessary to qualify for federal aid for employment and training services and money;

(18) administer and supervise all forms of unemployment insurance provided for under federal and state laws;

(19) provide current state and substate labor market information and official forecasts, in cooperation with other agencies. The commissioner must also collect, analyze, and produce labor market information as provided for in section 116J.4011;

(20) require all general employment and training programs that receive state funds to make available information about opportunities for women in nontraditional careers in the trades and technical occupations;

(21) consult with the Rehabilitation Council for the Blind on matters pertaining to programs and services for the blind and visually impaired;

(22) enter into agreements with other departments of the state and local units of government as necessary; and

(23) establish and maintain administrative units necessary to perform administrative functions common to all divisions of the department.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. [116J.4011] EXPANSION OF MEASUREMENT OF UNEMPLOYED AND UNDEREMPLOYED MINNESOTANS.

(a) By July 1, 2010, the commissioner of employment and economic development shall design and implement a comprehensive measure of unemployment and underemployment in the state to be used by the Labor Market Information Office within the Department of Employment and Economic Development to analyze and produce estimates of total unemployment. The measurement required under this section is in addition to methods currently utilized by the commissioner to produce official forecasts and must include, but is not limited to, data on workers who are employed on a part-time basis but would prefer and accept full-time employment if it was available, and those who are currently unemployed and not actively seeking employment due to impediments to work including the lack of child care or transportation. The new measurement must also include information on state and substate unemployment and underemployment and the incidence of unemployment and underemployment across demographic categories including but not limited to race, age, and gender. The commissioner must report monthly to the chairs of the committees of the senate and house of representatives having jurisdiction over workforce issues.

(b) The comprehensive measure required in paragraph (a) may utilize information from the United States Bureau of Labor Statistics Current Population Survey and the United States Census Bureau American Community Survey as the base for identifying, evaluating, and utilizing correlations with other relevant data to be used in econometric modeling of measures of unemployment and underemployment.

EFFECTIVE DATE. This section is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to employment; expanding the official measure of unemployment; requiring a report; amending Minnesota Statutes 2008, section 116J.401, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 116J."

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 927, A bill for an act relating to labor and industry; modifying construction codes and licensing; requiring rulemaking; amending Minnesota Statutes 2008, sections 326B.082, subdivision 12; 326B.084; 326B.43, subdivision 1; 326B.435, subdivision 2; 326B.475, subdivision 6; 326B.52; 326B.53; 326B.55; 326B.57; 326B.58; 326B.59; 326B.801; 326B.84; 326B.921, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 326B; repealing Minnesota Statutes 2008, section 326B.43, subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 326B.082, subdivision 12, is amended to read:

Subd. 12. **Issuance of licensing orders; hearings related to licensing orders.** (a) If the commissioner determines that a permit, license, registration, or certificate should be conditioned, limited, suspended, revoked, or denied under subdivision 11, or that the permit holder, licensee, registrant, or certificate holder should be censured under subdivision 11, then the commissioner shall issue to the person an order denying, conditioning, limiting, suspending, or revoking the person's permit, license, registration, or certificate, or censuring the permit holder, licensee, registrant, or certificate holder.

(b) Any order issued under paragraph (a) may include an assessment of monetary penalties and may require the person to cease and desist from committing the violation or committing the act, conduct, or practice set out in subdivision 11, paragraph (b). The monetary penalty may be up to \$10,000 for each violation or act, conduct, or practice committed by the person. The procedures in section 326B.083 must be followed when issuing orders under paragraph (a).

(c) The permit holder, licensee, registrant, certificate holder, or applicant to whom the commissioner issues an order under paragraph (a) shall have 30 days after service issuance of the order to request a hearing. The request for hearing must be in writing and must be served on or faxed to the commissioner at the address or fax number specified in the order by the 30th day after service issuance of the order. If the person does not request a hearing or if the person's written request for hearing is not served on or faxed to the commissioner by the 30th day after service issuance of the order, the order shall become a final order of the commissioner and will not be subject to review by any court or agency. The date on which a request for hearing is served by mail shall be the postmark date on the envelope in which the request for hearing is mailed. If the person submits to the commissioner a timely request for hearing, the order is stayed unless the commissioner summarily suspends the license, registration, certificate, or permit under subdivision 13, and a contested case hearing shall be held in accordance with chapter 14.

Sec. 2. Minnesota Statutes 2008, section 326B.084, is amended to read:

326B.084 FALSE INFORMATION.

Subdivision 1. False information. A person subject to any of the requirements in the applicable law may not make a false material statement, representation, or certification in; omit material information from; or alter, conceal, or fail to file or maintain a notice, application, record, report, plan, or other document required under the applicable law.

Subd. 2. Unlicensed advertising. No person shall offer to perform services for which a license issued by the commissioner is required unless the person holds an active license to perform those services. Nothing herein shall prohibit an offer to sell, repair, or perform services provided those services are performed by a licensed person.

Sec. 3. Minnesota Statutes 2008, section 326B.121, is amended by adding a subdivision to read:

Subd. 1a. Municipal ordinance; completion of exterior work. A municipality may, by ordinance, adopt an official control that requires exterior work authorized by a building permit issued in accordance with the State Building Code to be completed within a specified number of days following issuance of the building permit. The local regulation may not require completion of exterior work earlier than 180 days following the issuance of the permit.

Sec. 4. Minnesota Statutes 2008, section 326B.43, subdivision 1, is amended to read:

Subdivision 1. **Rules.** The Plumbing Board may, by rule, prescribe minimum standards which shall be uniform and which shall be effective for all new plumbing installations ~~performed anywhere in the state, including additions, extensions, alterations, and replacements connected with any water or sewage disposal system owned or operated by or for any municipality, institution, factory, office building, hotel, apartment building, or any other place of business regardless of location or the population of the city or town in which the installation is to be located.~~ Notwithstanding the provisions of Minnesota Rules, part 4715.3130, as they apply to review of plans and specifications, the commissioner may allow plumbing construction, alteration, or extension to proceed without approval of the plans or specifications by the commissioner.

Except for powers granted to the Plumbing Board, the commissioner of labor and industry shall administer the provisions of sections 326B.42 to 326B.49 and for such purposes may employ plumbing inspectors and other assistants.

Sec. 5. Minnesota Statutes 2008, section 326B.43, is amended by adding a subdivision to read:

Subd. 1a. **Licenses; experience.** All state plumbing inspectors and plumbing inspectors contracted by the department shall hold licenses as master or journeyman plumbers and have five years of documented practical plumbing experience under this chapter.

Sec. 6. Minnesota Statutes 2008, section 326B.435, subdivision 2, is amended to read:

Subd. 2. **Powers; duties; administrative support.** (a) The board shall have the power to:

- (1) elect its chair, vice-chair, and secretary;
- (2) adopt bylaws that specify the duties of its officers, the meeting dates of the board, and containing such other provisions as may be useful and necessary for the efficient conduct of the business of the board;
- (3) adopt the plumbing code that must be followed in this state and any plumbing code amendments thereto. The Plumbing Code shall include the minimum standards described in sections 326B.43, subdivision 1, and 326B.52, subdivision 1. The board shall adopt the plumbing code and any amendments thereto pursuant to chapter 14 and as provided in subdivision 6, paragraphs (b), (c), and (d);
- (4) review requests for final interpretations and issue final interpretations as provided in section 326B.127, subdivision 5;
- (5) ~~except for rules regulating continuing education,~~ adopt rules that regulate the licensure, certification, or registration of ~~plumbing contractors, journeymen, apprentices, master plumbers, restricted master plumbers, and restricted journeymen, water conditioning contractors, and water conditioning installers,~~ and other persons engaged in the design, installation, and alteration of plumbing systems or engaged in or working at the business of water conditioning installation or service, except for those individuals licensed under section 326.02, subdivisions 2 and 3. The board shall adopt these rules pursuant to chapter 14 and as provided in subdivision 6, paragraphs (e) and (f);
- ~~(6) advise the commissioner regarding educational requirements for plumbing inspectors;~~
- (6) adopt rules that regulate continuing education for individuals licensed as master plumbers, journeyman plumbers, restricted master plumbers, restricted journeyman plumbers, water conditioning contractors, and water conditioning installers. The board shall adopt these rules pursuant to chapter 14 and as provided in subdivision 6, paragraphs (e) and (f);

(7) refer complaints or other communications to the commissioner, whether oral or written, as provided in subdivision 8, that allege or imply a violation of a statute, rule, or order that the commissioner has the authority to enforce pertaining to code compliance, licensure, or an offering to perform or performance of unlicensed plumbing services;

(8) approve per diem and expenses deemed necessary for its members as provided in subdivision 3;

(9) approve license reciprocity agreements;

(10) select from its members individuals to serve on any other state advisory council, board, or committee; and

(11) recommend the fees for licenses and certifications.

Except for the powers granted to the Plumbing Board, the Board of Electricity, and the Board of High Pressure Piping Systems, the commissioner of labor and industry shall administer and enforce the provisions of this chapter and any rules promulgated pursuant thereto.

(b) The board shall comply with section 15.0597, subdivisions 2 and 4.

(c) The commissioner shall coordinate the board's rulemaking and recommendations with the recommendations and rulemaking conducted by the other boards created pursuant to this chapter. The commissioner shall provide staff support to the board. The support includes professional, legal, technical, and clerical staff necessary to perform rulemaking and other duties assigned to the board. The commissioner of labor and industry shall supply necessary office space and supplies to assist the board in its duties.

Sec. 7. Minnesota Statutes 2008, section 326B.435, subdivision 6, is amended to read:

Subd. 6. **Officers, quorum, voting.** (a) The board shall elect annually from its members a chair, vice-chair, and secretary. A quorum of the board shall consist of a majority of members of the board qualified to vote on the matter in question. All questions concerning the manner in which a meeting is conducted or called that is not covered by statute shall be determined by Robert's Rules of Order (revised) unless otherwise specified by the bylaws.

(b) Except as provided in paragraph (c), each plumbing code amendment considered by the board that receives an affirmative two-thirds or more majority vote of all of the voting members of the board shall be included in the next plumbing code rulemaking proceeding initiated by the board. If a plumbing code amendment considered, or reconsidered, by the board receives less than a two-thirds majority vote of all the voting members of the board, the plumbing code amendment shall not be included in the next plumbing code rulemaking proceeding initiated by the board.

(c) If the plumbing code amendment considered by the board is to replace the Minnesota Plumbing Code with a model plumbing code, then the amendment may only be included in the next plumbing code rulemaking proceeding if it receives an affirmative two-thirds or more majority vote of all the voting members of the board.

(d) The board may reconsider plumbing code amendments during an active plumbing code rulemaking proceeding in which the amendment previously failed to receive a two-thirds majority vote or more of all the voting members of the board only if new or updated information that affects the plumbing code amendment is presented to the board. The board may also reconsider failed plumbing code amendments in subsequent plumbing code rulemaking proceedings.

(e) Each proposed rule and rule amendment considered by the board pursuant to the rulemaking authority specified in subdivision 2, paragraph (a), clause (5) or clause (6), that receives an affirmative majority vote of all the voting members of the board shall be included in the next rulemaking proceeding initiated by the board. If a proposed rule or rule amendment considered, or reconsidered, by the board receives less than an affirmative majority vote of all the voting members of the board, the proposed rule or rule amendment shall not be included in the next rulemaking proceeding initiated by the board.

(f) The board may reconsider proposed rules or rule amendments during an active rulemaking proceeding in which the amendment previously failed to receive an affirmative majority vote of all the voting members of the board only if new or updated information that affects the proposed rule or rule amendment is presented to the board. The board may also reconsider failed proposed rules or rule amendments in subsequent rulemaking proceedings.

Sec. 8. **[326B.438] MEDICAL GAS SYSTEMS.**

Subdivision 1. Definitions. (a) For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Medical gas" means medical gas as defined under the National Fire Protection Association NFPA 99C Standard on Gas and Vacuum Systems.

(c) "Medical gas system" means a level 1, 2, or 3 piped medical gas and vacuum system as defined under the National Fire Protection Association NFPA 99C Standard on Gas and Vacuum Systems.

Subd. 2. License and certification required. No person shall engage in the installation, maintenance, or repair of a medical gas system unless the person possesses a current Minnesota master or journeyman plumber's license and is certified by the commissioner under rules adopted by the Minnesota Plumbing Board.

Subd. 3. Temporary exemptions. (a) A person who on the effective date of this section holds a valid certificate authorized by the American Society of Sanitary Engineering (ASSE) in accordance with standards recommended by the National Fire Protection Association under NFPA 99C is exempt from the requirements of subdivision 2 and may maintain and repair a medical gas system. This exemption applies only if a person maintains a valid certification authorized by the ASSE for the duration of the exemption period.

(b) A person who on the effective date of this section possesses a current Minnesota master or journeyman plumber's license and a valid certificate authorized by the ASSE in accordance with standards recommended by the National Fire Protection Association under NFPA 99C is exempt from the requirements of subdivision 2 and may install, maintain, and repair a medical gas system. This exemption applies only if a person maintains a valid Minnesota master or journeyman plumber's license and valid certification authorized by the ASSE for the duration of the exemption period.

(c) The exemptions in paragraphs (a) and (b) expire 180 days after the board adopts rules.

Subd. 4. Fees. The fee for a medical gas certificate issued by the commissioner according to subdivision 2 is \$30 per year.

EFFECTIVE DATE. This section is effective August 1, 2009, except that the requirement under subdivision 2 that a master or journeyman plumber must be certified by the Minnesota Plumbing Board and the fee in subdivision 4 are not effective until 180 days after the board adopts rules.

Sec. 9. Minnesota Statutes 2008, section 326B.475, subdivision 6, is amended to read:

Subd. 6. **Bond; insurance.** A restricted master ~~or a restricted journeyman~~ plumber licensee is subject to the bond and insurance requirements of section 326B.46, subdivision 2, unless the exemption provided by section 326B.46, subdivision 3, applies.

Sec. 10. Minnesota Statutes 2008, section 326B.52, is amended to read:

326B.52 WATER CONDITIONING CONTRACTOR AND INSTALLER STANDARDS.

Subdivision 1. **Rulemaking by ~~commissioner~~ Plumbing Board.** The ~~commissioner~~ Plumbing Board shall, by rule, prescribe minimum standards which shall be uniform, and which standards shall thereafter be effective for all new water conditioning servicing and water conditioning installations performed anywhere in the state, including additions, extensions, alterations, and replacements ~~connected with any water or sewage disposal system owned or operated by or for any municipality, institution, factory, office building, hotel, apartment building or any other place of business, regardless of location or the population of the city, county or town in which located.~~

Subd. 2. **Inspectors.** Except for powers granted to the Plumbing Board, the commissioner shall administer the provisions of sections 326B.50 to 326B.59 and for such purposes may employ water conditioning inspectors and other assistants.

Sec. 11. Minnesota Statutes 2008, section 326B.53, is amended to read:

326B.53 LOCAL REGULATIONS.

Any city, county, or town ~~with a population of 5,000 or more according to the last federal census~~ may, by ordinance, adopt local regulations providing for water conditioning permits, bonds, approval of plans, and inspections of water conditioning installations and servicing, which regulations shall not be in conflict with the ~~water conditioning standards~~ rules on the same subject prescribed by the commissioner. No such city, county, or town shall prohibit water conditioning contractors or installers licensed by the commissioner from engaging in or working at the business.

Sec. 12. Minnesota Statutes 2008, section 326B.55, is amended to read:

326B.55 LICENSING IN CERTAIN CITIES; QUALIFICATIONS; RULES.

Subdivision 1. **Licensing ~~in certain cities.~~** ~~In any city or town having a population of 5,000 or more according to the last federal census,~~ No person shall engage in or work at the business of water conditioning installation or servicing after January 1, 1970, anywhere in the state unless (1) at all times an individual licensed as a water conditioning contractor by the commissioner shall be responsible for the proper water conditioning installation and servicing work of such person, and (2) all installations, other than exchanges of portable equipment, are performed by a licensed water conditioning contractor or licensed water conditioning installer. Any individual not so licensed may perform water conditioning work that complies with the minimum ~~standard~~ standards prescribed by the ~~commissioner~~ Plumbing Board on premises or that part of premises owned and occupied by the worker as a residence, unless otherwise prohibited by a local ordinance.

Subd. 2. **Qualifications for licensing.** A water conditioning contractor license shall be issued only to an individual who has demonstrated skill in planning, superintending, and servicing water conditioning installations, and has successfully passed the examination for water conditioning contractors. A water conditioning installer license shall only be issued to an individual other than a water conditioning contractor who has demonstrated practical knowledge of water conditioning installation-, and has successfully passed the examination for water conditioning installers. A water conditioning installer must successfully pass the examination for water conditioning contractors before being licensed as a water conditioning contractor.

Subd. 3. **Rules Commissioner.** The commissioner shall:

- (1) ~~prescribe rules, not inconsistent herewith, for the licensing of water conditioning contractors and installers;~~
- (2) license water conditioning contractors and installers; and
- (3) ~~prescribe rules not inconsistent herewith for the examining of water conditioning contractors and installers prior to first granting a license as a water conditioning contractor or water conditioning installer; and~~
- (4) (2) collect an examination fee from each examinee for a license as a water conditioning contractor and an examination fee from each examinee for a license as a water conditioning installer in an amount set forth in section 326B.58. ~~A water conditioning installer must successfully pass the examination for water conditioning contractors before being licensed as a water conditioning contractor.~~

Sec. 13. Minnesota Statutes 2008, section 326B.57, is amended to read:

326B.57 RULES.

In order to provide effective protection of the public health, the ~~commissioner~~ Plumbing Board may by rule prescribe limitations on the nature of alteration to, extension of, or connection with, the said water distribution system initially established by a licensed plumber which may be performed by a person licensed hereunder, ~~and~~. The commissioner may by rule in appropriate instances require filing of plans, blueprints and specifications prior to commencement of installation. The installation of water heaters shall not constitute water conditioning installation and consequently such work shall be accomplished in accordance with the provisions of sections 326B.42 to 326B.49.

Sec. 14. Minnesota Statutes 2008, section 326B.58, is amended to read:

326B.58 FEES.

Examination fees for both water conditioning contractors and water conditioning installers shall be \$50 for each examination. Each water conditioning contractor and installer license shall expire on December 31 of the year for which it was issued. The license fee for each initial water conditioning contractor's license shall be \$70, except that the license fee shall be \$35 if the application is submitted during the last three months of the calendar year. The license fee for each renewal water conditioning contractor's license shall be \$70. The license fee for each initial water conditioning installer license shall be \$35, except that the license fee shall be \$17.50 if the application is submitted during the last three months of the calendar year. The license fee for each renewal water conditioning installer license shall be \$35. ~~The commissioner~~ Plumbing Board may by rule prescribe for the expiration and renewal of licenses. Any licensee who does not renew a license within two years after the license expires is no longer eligible for renewal. Such an individual must retake and pass the examination before a new license will be issued. A water conditioning contractor or water conditioning installer who submits a license renewal application after the time specified in rule but within two years after the license expired must pay all past due renewal fees plus a late fee of \$25.

Sec. 15. Minnesota Statutes 2008, section 326B.59, is amended to read:

326B.59 STATE LICENSE; EXAMINATION; APPLICATION; EXEMPTION.

The provisions of sections 326B.50 to ~~326B.59~~ 326B.58 that require licenses to engage in the work or business of water conditioning installation, and the provisions that provide for the examination of applicants for such licenses, ~~shall only apply to work accomplished in cities or towns having populations of 5,000 or more according to~~

~~the last federal census, and shall~~ do not apply to master plumbers and journeymen plumbers licensed under the provisions of sections 326B.42 to 326B.49. In all areas of the state, except in cities or towns with a population of more than 5,000 according to the last federal census, the provisions of sections 326B.50 to 326B.58 that require licenses to engage in the work or business of water conditioning installation, and the provisions that provide for the examination of applicants for such licenses, do not apply to restricted master plumbers and restricted journeyman plumbers licensed under the provisions of section 326B.475.

Sec. 16. Minnesota Statutes 2008, section 326B.801, is amended to read:

326B.801 SCOPE.

Except as otherwise provided by law, ~~the provisions of~~ sections 326B.801 to ~~326B.825~~ 326B.885 apply to residential contractors, residential remodelers, residential roofers, and manufactured home installers.

Sec. 17. Minnesota Statutes 2008, section 326B.84, is amended to read:

326B.84 GROUNDS FOR LICENSE SANCTIONS.

In addition to the grounds set forth in section 326B.082, subdivision 11, the commissioner may deny, suspend, limit, place conditions on, or revoke a license or certificate of exemption, or may censure the person holding the license or certificate of exemption, if the applicant, licensee, certificate of exemption holder, qualifying person, owner, officer, or affiliate of an applicant, licensee, or certificate of exemption holder, or other agent owner:

(1) has filed an application for licensure or a certificate of exemption which is incomplete in any material respect or contains any statement which, in light of the circumstances under which it is made, is false or misleading with respect to any material fact;

(2) has engaged in a fraudulent, deceptive, or dishonest practice;

(3) is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the business;

(4) has failed to reasonably supervise employees, agents, subcontractors, or salespersons, or has performed negligently or in breach of contract, so as to cause injury or harm to the public;

(5) has violated or failed to comply with any provision of sections 326B.802 to 326B.885, any rule or order under sections 326B.802 to 326B.885, or any other law, rule, or order related to the duties and responsibilities entrusted to the commissioner;

(6) has been convicted of a violation of the State Building Code or has refused to comply with a notice of violation or stop order issued by a certified building official, or in local jurisdictions that have not adopted the State Building Code has refused to correct a violation of the State Building Code when the violation has been documented or a notice of violation or stop order issued by a certified building official has been received;

(7) has failed to use the proceeds of any payment made to the licensee for the construction of, or any improvement to, residential real estate, as defined in section 326B.802, subdivision 13, for the payment of labor, skill, material, and machinery contributed to the construction or improvement, knowing that the cost of any labor performed, or skill, material, or machinery furnished for the improvement remains unpaid;

(8) has not furnished to the person making payment either a valid lien waiver as to any unpaid labor performed, or skill, material, or machinery furnished for an improvement, or a payment bond in the basic amount of the contract price for the improvement conditioned for the prompt payment to any person or persons entitled to payment;

(9) has engaged in an act or practice that results in compensation to an aggrieved owner or lessee from the contractor recovery fund pursuant to section 326B.89, unless:

(i) the applicant or licensee has repaid the fund twice the amount paid from the fund, plus interest at the rate of 12 percent per year; and

(ii) the applicant or licensee has obtained a surety bond in the amount of at least \$40,000, issued by an insurer authorized to transact business in this state;

(10) has engaged in bad faith, unreasonable delays, or frivolous claims in defense of a civil lawsuit or arbitration arising out of their activities as a licensee or certificate of exemption holder under this chapter;

(11) has had a judgment entered against them for failure to make payments to employees, subcontractors, or suppliers, that the licensee has failed to satisfy and all appeals of the judgment have been exhausted or the period for appeal has expired;

(12) if unlicensed, has obtained a building permit by the fraudulent use of a fictitious license number or the license number of another, or, if licensed, has knowingly allowed an unlicensed person to use the licensee's license number for the purpose of fraudulently obtaining a building permit; or has applied for or obtained a building permit for an unlicensed person;

(13) has made use of a forged mechanic's lien waiver under chapter 514;

(14) has provided false, misleading, or incomplete information to the commissioner or has refused to allow a reasonable inspection of records or premises;

(15) has engaged in an act or practice whether or not the act or practice directly involves the business for which the person is licensed, that demonstrates that the applicant or licensee is untrustworthy, financially irresponsible, or otherwise incompetent or unqualified to act under the license granted by the commissioner; or

(16) has failed to comply with requests for information, documents, or other requests from the department within the time specified in the request or, if no time is specified, within 30 days of the mailing of the request by the department.

Sec. 18. Minnesota Statutes 2008, section 326B.921, subdivision 1, is amended to read:

Subdivision 1. **License required; rules; time credit.** No individual shall engage in or work at the business of a contracting high pressure pipefitter unless issued a contracting high pressure pipefitter license to do so by the department under rules adopted by the board. No license shall be required for repairs on existing installations. No individual shall engage in or work at the business of journeyman high pressure pipefitter unless issued a journeyman high pressure pipefitter competency license to do so by the department under rules adopted by the board. An individual possessing a contracting high pressure pipefitter competency license may also work as a journeyman high pressure pipefitter.

No person shall construct or install high pressure piping, nor install high pressure piping in connection with the dealing in and selling of high pressure pipe material and supplies, unless, at all times, an individual possessing a contracting high pressure pipefitter competency license or a journeyman high pressure pipefitter competency license is responsible for ensuring that the high pressure pipefitting work is in conformity with Minnesota Statutes and Minnesota Rules.

The board shall prescribe rules, not inconsistent herewith, for the examination and competency licensing of contracting high pressure pipefitters and journeyman high pressure pipefitters ~~and for issuance of permits by the department and municipalities for the installation of high pressure piping.~~

An employee performing the duties of inspector for the department in regulating pipefitting shall not receive time credit for the inspection duties when making an application for a license required by this section.

Sec. 19. **[326B.961] TRIENNIAL AUDITS AND TEAM LEADER CERTIFICATIONS.**

Subdivision 1. **Triennial audits; assignment; qualifications.** The chief boiler inspector shall assign a qualified ASME designee or team leader to perform triennial audits on ASME Code and national board stamp holders at the request of the stamp holder. The department shall maintain qualifications for ASME designees and national board team leaders in accordance with ASME and national board requirements.

Subd. 2. **Fees.** The fee for performing ASME and national board triennial audits shall be the hourly rate pursuant to section 326B.986, subdivision 4.

Sec. 20. **TIME LIMIT.**

Notwithstanding the lapse of the time limit to adopt rules under Minnesota Statutes, section 14.125, the commissioner of labor and industry's authority to adopt rules under Minnesota Statutes, section 326B.978, subdivisions 4 and 18, is extended by 18 months following the effective date of this section.

Sec. 21. **RULE CHANGE.**

The Plumbing Board shall amend Minnesota Rules, part 4715.0320, subpart 1, so that it conforms with Minnesota Statutes, sections 326B.43 and 326B.52, as amended by this act. The Plumbing Board may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), in adopting the amendment, and Minnesota Statutes, section 14.386, does not apply.

Sec. 22. **REPEALER.**

Minnesota Statutes 2008, section 326B.43, subdivision 5, is repealed."

Delete the title and insert:

"A bill for an act relating to labor and industry; modifying construction codes and licensing; requiring rulemaking; amending Minnesota Statutes 2008, sections 326B.082, subdivision 12; 326B.084; 326B.121, by adding a subdivision; 326B.43, subdivision 1, by adding a subdivision; 326B.435, subdivisions 2, 6; 326B.475, subdivision 6; 326B.52; 326B.53; 326B.55; 326B.57; 326B.58; 326B.59; 326B.801; 326B.84; 326B.921, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 326B; repealing Minnesota Statutes 2008, section 326B.43, subdivision 5."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

The report was adopted.

Pelowski from the Committee on State and Local Government Operations Reform, Technology and Elections to which was referred:

H. F. No. 938, A bill for an act relating to state employees; providing additional sick leave for state employees who are veterans with service-related disabilities; proposing coding for new law in Minnesota Statutes, chapter 43A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[43A.184] SICK LEAVE FOR VETERANS WITH SERVICE-RELATED DISABILITIES.**

On a form prescribed by the commissioner, a state employee who is a veteran with a service-related disability may apply to the employee's appointing authority for additional sick leave to receive treatment for the disability, as provided in this section. The employee must qualify as a veteran under section 197.447, and have a sick leave balance that is insufficient to receive treatment for the disability. If the appointing authority approves the request, the appointing authority shall authorize 40 hours of sick leave for the employee in the current fiscal year. The appointing authority may approve sick leave for an employee under this section one time in each fiscal year.

EFFECTIVE DATE. This section is effective July 1, 2009."

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

The report was adopted.

Mariani from the Committee on K-12 Education Policy and Oversight to which was referred:

H. F. No. 981, A bill for an act relating to education; amending charter school provisions; creating a commission; authorizing a private nonprofit corporation; amending Minnesota Statutes 2008, section 124D.10, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 124D.

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

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 1048, A bill for an act relating to unemployment compensation; providing eligibility for benefits under certain training programs.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Ways and Means.

The report was adopted.

Mariani from the Committee on K-12 Education Policy and Oversight to which was referred:

H. F. No. 1240, A bill for an act relating to education; establishing a volunteer working group on Native language revitalization and preservation; providing for appointments; requiring a report; appropriating money.

Reported the same back with the following amendments:

Page 2, line 3, after "Teaching," insert "the director of the Minnesota Historical Society or the director's appointee,"

Page 3, after line 2, insert:

"Subd. 4. **Administrative support; expenses.** The commissioner of education shall provide the working group with meeting space and the necessary staff support for meetings of the working group. Members of the group are not eligible for compensation but may receive reimbursement for their expenses as provided in Minnesota Statutes, section 15.059, subdivision 3."

Page 3, line 3, delete "4" and insert "5" and after "recommendations" insert ", including draft legislation, if necessary,"

Page 3, line 4, delete "committees of the legislature having" and insert "chairs and ranking minority members of the legislative committees and divisions with"

Page 3, line 10, after "education" insert "to promote staff support and expense reimbursement"

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

The report was adopted.

Hilstrom from the Committee on Public Safety Policy and Oversight to which was referred:

H. F. No. 1301, A bill for an act relating to public safety; clarifying authority of apprehension and detention orders outside county that issued the order; amending Minnesota Statutes 2008, section 401.025, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

PREDATORY OFFENDERS

Section 1. Minnesota Statutes 2008, section 243.166, subdivision 1a, is amended to read:

Subd. 1a. **Definitions.** (a) As used in this section, unless the context clearly indicates otherwise, the following terms have the meanings given them.

(b) "Bureau" means the Bureau of Criminal Apprehension.

(c) "Dwelling" means the building where the person lives under a formal or informal agreement to do so.

(d) "Incarceration" and "confinement" do not include electronic home monitoring.

(e) "Instant messaging or chat room" means a program that requires a person to register or create an account, a user name, or a password to become a member or registered user of the program and allows members or authorized users to communicate over the Internet in real time using typed text or voice, including programs associated with online games, and other online communities. The term does not include an electronic mail (e-mail) or message board program.

~~(e)~~ (f) "Law enforcement authority" or "authority" means, with respect to a home rule charter or statutory city, the chief of police, and with respect to an unincorporated area, the county sheriff.

~~(f)~~ (g) "Motor vehicle" has the meaning given in section 169.011, subdivision ~~92~~ 42.

~~(g)~~ (h) "Primary address" means the mailing address of the person's dwelling. If the mailing address is different from the actual location of the dwelling, primary address also includes the physical location of the dwelling described with as much specificity as possible.

~~(h)~~ (i) "School" includes any public or private educational institution, including any secondary school, trade, or professional institution, or institution of higher education, that the person is enrolled in on a full-time or part-time basis.

~~(i)~~ (j) "Secondary address" means the mailing address of any place where the person regularly or occasionally stays overnight when not staying at the person's primary address. If the mailing address is different from the actual location of the place, secondary address also includes the physical location of the place described with as much specificity as possible.

(k) "Social networking Web site" means an Internet Web site that has a primary purpose of facilitating social interaction between two or more persons for the purposes of friendship, meeting other persons, or information exchanges, and allows users to create Web pages or profiles that provide information about themselves and are available publicly or to other users and that offers a mechanism for communication with other users, such as a forum, chat room, electronic mail, or instant messaging.

~~(k)~~ (l) "Treatment facility" means a residential facility, as defined in section 244.052, subdivision 1, and residential chemical dependency treatment programs and halfway houses licensed under chapter 245A, including, but not limited to, those facilities directly or indirectly assisted by any department or agency of the United States.

~~(l)~~ (m) "Work" includes employment that is full time or part time for a period of time exceeding 14 days or for an aggregate period of time exceeding 30 days during any calendar year, whether financially compensated, volunteered, or for the purpose of government or educational benefit.

EFFECTIVE DATE. This section is effective August 1, 2010, and applies to predators who are required to register before, on, or after that date.

Sec. 2. Minnesota Statutes 2008, section 243.166, subdivision 4, is amended to read:

Subd. 4. **Contents of registration.** (a) The registration provided to the corrections agent or law enforcement authority, must consist of a statement in writing signed by the person, giving information required by the bureau, a fingerprint card, and photograph of the person taken at the time of the person's release from incarceration or, if the person was not incarcerated, at the time the person initially registered under this section. The registration

information also must include a written consent form signed by the person allowing a treatment facility or residential housing unit or shelter to release information to a law enforcement officer about the person's admission to, or residence in, a treatment facility or residential housing unit or shelter. Registration information on adults and juveniles may be maintained together notwithstanding section 260B.171, subdivision 3.

(b) For persons required to register under subdivision 1b, paragraph (c), following commitment pursuant to a court commitment under section 253B.185 or a similar law of another state or the United States, in addition to other information required by this section, the registration provided to the corrections agent or law enforcement authority must include the person's offense history and documentation of treatment received during the person's commitment. This documentation is limited to a statement of how far the person progressed in treatment during commitment.

(c) Within three days of receipt, the corrections agent or law enforcement authority shall forward the registration information to the bureau. The bureau shall ascertain whether the person has registered with the law enforcement authority in the area of the person's primary address, if any, or if the person lacks a primary address, where the person is staying, as required by subdivision 3a. If the person has not registered with the law enforcement authority, the bureau shall send one copy to that authority.

(d) The corrections agent or law enforcement authority may require that a person required to register under this section appear before the agent or authority to be photographed. The agent or authority shall forward the photograph to the bureau.

(1) Except as provided in clause (2), the agent or authority shall require a person required to register under this section who is classified as a level III offender under section 244.052 to appear before the agent or authority at least every six months to be photographed.

(2) The requirements of this paragraph shall not apply during any period where the person to be photographed is: (i) committed to the commissioner of corrections and incarcerated, (ii) incarcerated in a regional jail or county jail, or (iii) committed to the commissioner of human services and receiving treatment in a secure treatment facility.

(e) During the period a person is required to register under this section, the following provisions apply:

(1) Except for persons registering under subdivision 3a, the bureau shall mail a verification form to the person's last reported primary address. This verification form must provide notice to the offender that, if the offender does not return the verification form as required, information about the offender may be made available to the public through electronic, computerized, or other accessible means. For persons who are registered under subdivision 3a, the bureau shall mail an annual verification form to the law enforcement authority where the offender most recently reported. The authority shall provide the verification form to the person at the next weekly meeting and ensure that the person completes and signs the form and returns it to the bureau. Notice is sufficient under this paragraph, if the verification form is sent by first class mail to the person's last reported primary address, or for persons registered under subdivision 3a, to the law enforcement authority where the offender most recently reported.

(2) The person shall mail the signed verification form back to the bureau within ten days after receipt of the form, stating on the form the current and last address of the person's residence and the other information required under subdivision 4a.

(3) In addition to the requirements listed in this section, a person who is assigned to risk level II or III under section 244.052, and who is no longer under correctional supervision for a registration offense, or a failure to register offense, but who resides, works, or attends school in Minnesota, shall have an annual in-person contact with a law enforcement authority as provided in this section. If the person resides in Minnesota, the annual in-person contact shall be with the law enforcement authority that has jurisdiction over the person's primary address or, if the person has no address, the location where the person is staying. If the person does not reside in Minnesota but

works or attends school in this state, the person shall have an annual in-person contact with the law enforcement authority or authorities with jurisdiction over the person's school or workplace. During the month of the person's birth date, the person shall report to the authority to verify the accuracy of the registration information and to be photographed. Within three days of this contact, the authority shall enter information as required by the bureau into the predatory offender registration database and submit an updated photograph of the person to the bureau's predatory offender registration unit.

(4) If the person fails to mail the completed and signed verification form to the bureau within ten days after receipt of the form, or if the person fails to report to the law enforcement authority during the month of the person's birth date, the person is in violation of this section.

(5) For any person who fails to mail the completed and signed verification form to the bureau within ten days after receipt of the form and who has been determined to be a risk level III offender under section 244.052, the bureau shall immediately investigate and notify local law enforcement authorities to investigate the person's location and to ensure compliance with this section. The bureau also shall immediately give notice of the person's violation of this section to the law enforcement authority having jurisdiction over the person's last registered address or addresses.

(6) Persons required to register under this section and who are also on intensive supervised release under section 244.05, subdivision 6, shall not access, or create or maintain a personal Web page, profile, account, password, or user name for: (i) a social networking Web site; or (ii) an instant messaging or chat room program, that permits persons under the age of 18 to become a member or to create or maintain a personal Web page.

For persons required to register under subdivision 1b, paragraph (c), following commitment pursuant to a court commitment under section 253B.185 or a similar law of another state or the United States, the bureau shall comply with clause (1) at least four times each year. For persons who, under section 244.052, are assigned to risk level III and who are no longer under correctional supervision for a registration offense or a failure to register offense, the bureau shall comply with clause (1) at least two times each year. For all other persons required to register under this section, the bureau shall comply with clause (1) each year within 30 days of the anniversary date of the person's initial registration.

(f) When sending out a verification form, the bureau shall determine whether the person to whom the verification form is being sent has signed a written consent form as provided for in paragraph (a). If the person has not signed such a consent form, the bureau shall send a written consent form to the person along with the verification form. A person who receives this written consent form shall sign and return it to the bureau at the same time as the verification form.

EFFECTIVE DATE. This section is effective August 1, 2010, and applies to predatory offenders who are required to register before, on, or after that date.

Sec. 3. Minnesota Statutes 2008, section 243.166, subdivision 4b, is amended to read:

Subd. 4b. **Health care facility; notice of status.** (a) For the purposes of this subdivision, "health care facility" means a facility ~~licensed by:~~

(1) licensed by the commissioner of health as a hospital, boarding care home or supervised living facility under sections 144.50 to 144.58, or a nursing home under chapter 144A;

(2) registered by the commissioner of health as a housing with services establishment as defined in section 144D.01; or

~~(2)~~ (3) licensed by the commissioner of human services as a residential facility under chapter 245A to provide adult foster care, adult mental health treatment, chemical dependency treatment to adults, or residential services to persons with developmental disabilities.

(b) Prior to admission to a health care facility, a person required to register under this section shall disclose to:

(1) the health care facility employee processing the admission the person's status as a registered predatory offender under this section; and

(2) the person's corrections agent, or if the person does not have an assigned corrections agent, the law enforcement authority with whom the person is currently required to register, that inpatient admission will occur.

(c) A law enforcement authority or corrections agent who receives notice under paragraph (b) or who knows that a person required to register under this section is planning to be admitted and receive, or has been admitted and is receiving health care at a health care facility shall notify the administrator of the facility and deliver a fact sheet to the administrator containing the following information: (1) name and physical description of the offender; (2) the offender's conviction history, including the dates of conviction; (3) the risk level classification assigned to the offender under section 244.052, if any; and (4) the profile of likely victims.

(d) Except for a hospital licensed under sections 144.50 to 144.58, if a health care facility receives a fact sheet under paragraph (c) that includes a risk level classification for the offender, and if the facility admits the offender, the facility shall distribute the fact sheet to all residents at the facility. If the facility determines that distribution to a resident is not appropriate given the resident's medical, emotional, or mental status, the facility shall distribute the fact sheet to the patient's next of kin or emergency contact.

EFFECTIVE DATE. This section is effective August 1, 2010, and applies to predatory offenders who are required to register before, on, or after that date.

Sec. 4. Minnesota Statutes 2008, section 243.166, subdivision 6, is amended to read:

Subd. 6. **Registration period.** (a) Notwithstanding the provisions of section 609.165, subdivision 1, and except as provided in paragraphs (b), (c), and (d), a person required to register under this section shall continue to comply with this section until ten years have elapsed since the person initially registered in connection with the offense, or until the probation, supervised release, or conditional release period expires, whichever occurs later. For a person required to register under this section who is committed under section 253B.18 or 253B.185, the ten-year registration period does not include the period of commitment.

(b) If a person required to register under this section fails to provide the person's primary address as required by subdivision 3, paragraph (b), fails to comply with the requirements of subdivision 3a, fails to provide information as required by subdivision 4a, or fails to return the verification form referenced in subdivision 4 within ten days, the commissioner of public safety may require the person to continue to register for an additional period of five years. This five-year period is added to the end of the offender's registration period.

(c) If a person required to register under this section is ~~subsequently incarcerated following a conviction~~ arrested for any new offenses or any probation, parole, supervised release, or conditional release violations prior to the end of the person's registration period and is convicted of and incarcerated for a ~~any new offense or following is incarcerated for~~ a revocation of probation, ~~parole,~~ supervised release, or conditional release for any offense, the person shall continue to register until ten years have elapsed since the person was last released from incarceration or until the person's probation, supervised release, or conditional release period expires, whichever occurs later. For the purposes of this section, incarcerated includes credit for time served prior to the conviction or revocation.

(d) A person shall continue to comply with this section for the life of that person:

(1) if the person is convicted of or adjudicated delinquent for any offense for which registration is required under subdivision 1b, or any offense from another state or any federal offense similar to the offenses described in subdivision 1b, and the person has a prior conviction or adjudication for an offense for which registration was or would have been required under subdivision 1b, or an offense from another state or a federal offense similar to an offense described in subdivision 1b;

(2) if the person is required to register based upon a conviction or delinquency adjudication for an offense under section 609.185, clause (2), or a similar statute from another state or the United States;

(3) if the person is required to register based upon a conviction for an offense under section 609.342, subdivision 1, paragraph (a), (c), (d), (e), (f), or (h); 609.343, subdivision 1, paragraph (a), (c), (d), (e), (f), or (h); 609.344, subdivision 1, paragraph (a), (c), or (g); or 609.345, subdivision 1, paragraph (a), (c), or (g); or a statute from another state or the United States similar to the offenses described in this clause; or

(4) if the person is required to register under subdivision 1b, paragraph (c), following commitment pursuant to a court commitment under section 253B.185 or a similar law of another state or the United States.

(e) A person described in subdivision 1b, paragraph (b), who is required to register under the laws of a state in which the person has been previously convicted or adjudicated delinquent, shall register under this section for the time period required by the state of conviction or adjudication unless a longer time period is required elsewhere in this section.

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to predatory offenders who are required to register before, on, or after that date.

Sec. 5. Minnesota Statutes 2008, section 244.05, subdivision 6, is amended to read:

Subd. 6. **Intensive supervised release.** The commissioner may order that an inmate be placed on intensive supervised release for all or part of the inmate's supervised release or parole term if the commissioner determines that the action will further the goals described in section 244.14, subdivision 1, clauses (2), (3), and (4). In addition, the commissioner may order that an inmate be placed on intensive supervised release for all of the inmate's conditional or supervised release term if the inmate was convicted of a sex offense under section 609.342, 609.343, 609.344, 609.345, or 609.3453 or was sentenced under the provisions of section 609.3455, subdivision 3a. The commissioner shall order that all level III predatory offenders be placed on intensive supervised release for the entire supervised release, conditional release, or parole term. The commissioner may impose appropriate conditions of release on the inmate including but not limited to unannounced searches of the inmate's person, vehicle, ~~or~~ premises, computer, or other electronic devices capable of accessing the Internet by an intensive supervision agent; compliance with court-ordered restitution, if any; random drug testing; house arrest; daily curfews; frequent face-to-face contacts with an assigned intensive supervision agent; work, education, or treatment requirements; and electronic surveillance. In addition, any sex offender placed on intensive supervised release may be ordered to participate in an appropriate sex offender program as a condition of release. If the inmate violates the conditions of the intensive supervised release, the commissioner shall impose sanctions as provided in subdivision 3 and section 609.3455.

EFFECTIVE DATE. This section is effective August 1, 2010, and applies to predatory offenders who are required to register before, on, or after that date.

Sec. 6. Minnesota Statutes 2008, section 609.352, subdivision 2a, is amended to read:

Subd. 2a. ~~Internet or computer~~ **Electronic solicitation of children.** A person 18 years of age or older who uses the Internet ~~or~~, a computer, computer program, computer network, ~~or~~ computer system, an electronic communications system, or a telecommunications, wire, or radio communications system, or other electronic device capable of electronic data storage or transmission to commit any of the following acts, with the intent to arouse the sexual desire of any person, is guilty of a felony and may be sentenced as provided in subdivision 4:

- (1) soliciting a child or someone the person reasonably believes is a child to engage in sexual conduct;
- (2) engaging in communication ~~relating to or describing sexual conduct~~ with a child or someone the person reasonably believes is a child, relating to or describing sexual conduct; or
- (3) distributing any material, language, or communication, including a photographic or video image, that relates to or describes sexual conduct to a child or someone the person reasonably believes is a child.

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to crimes committed on or after that date.

ARTICLE 2

CRIME VICTIMS

Section 1. Minnesota Statutes 2008, section 611A.0315, subdivision 1, is amended to read:

Subdivision 1. **Notice of decision not to prosecute.** (a) A prosecutor shall make every reasonable effort to notify a victim of domestic assault, a criminal sexual conduct offense, or harassment that the prosecutor has decided to decline prosecution of the case or to dismiss the criminal charges filed against the defendant. Efforts to notify the victim should include, in order of priority: (1) contacting the victim or a person designated by the victim by telephone; and (2) contacting the victim by mail. If a suspect is still in custody, the notification attempt shall be made before the suspect is released from custody.

(b) Whenever a prosecutor dismisses criminal charges against a person accused of domestic assault, a criminal sexual conduct offense, or harassment, a record shall be made of the specific reasons for the dismissal. If the dismissal is due to the unavailability of the witness, the prosecutor shall indicate the specific reason that the witness is unavailable.

(c) Whenever a prosecutor notifies a victim of domestic assault, criminal sexual conduct, or harassment under this section, the prosecutor shall also inform the victim of the method and benefits of seeking an order for protection under section 518B.01 or a restraining order under section 609.748 and that the victim may seek an order without paying a fee.

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

Sec. 2. Minnesota Statutes 2008, section 629.341, subdivision 1, is amended to read:

Subdivision 1. **Arrest.** Notwithstanding section 629.34 or any other law or rule, a peace officer may arrest a person anywhere without a warrant, including at the person's residence, if the peace officer has probable cause to believe that within the preceding ~~42~~ 24 hours the person has committed domestic abuse, as defined in section 518B.01, subdivision 2. The arrest may be made even though the assault did not take place in the presence of the peace officer.

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

Sec. 3. Laws 1999, chapter 216, article 2, section 27, subdivision 1, as amended by Laws 2000, chapter 468, section 29, is amended to read:

Subdivision 1. ~~Pilot project authorized~~ **Domestic fatality review teams; purpose.** ~~The fourth~~ A judicial district may establish a domestic fatality review team as a ~~30-month pilot project~~ to review domestic violence deaths that have occurred in the district. The team may review cases in which prosecution has been completed or the prosecutorial authority has decided not to pursue the case. The purpose of the review team is to assess domestic violence deaths in order to develop recommendations for policies and protocols for community prevention and intervention initiatives to reduce and eliminate the incidence of domestic violence and resulting fatalities.

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

Sec. 4. Laws 1999, chapter 216, article 2, section 27, subdivision 3c, as added by Laws 2000, chapter 468, section 32, is amended to read:

Subd. 3c. **Immunity.** Members of the ~~fourth judicial district~~ domestic fatality advisory board, members of the domestic fatality review team, and members of each review panel, as well as their agents or employees, are immune from claims and are not subject to any suits, liability, damages, or any other recourse, civil or criminal, arising from any act, proceeding, decision, or determination undertaken or performed or recommendation made by the domestic fatality review team, provided they acted in good faith and without malice in carrying out their responsibilities. Good faith is presumed until proven otherwise and the complainant has the burden of proving malice or a lack of good faith. No organization, institution, or person furnishing information, data, testimony, reports, or records to the domestic fatality review team as part of an investigation is civilly or criminally liable or subject to any other recourse for providing the information.

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

Sec. 5. Laws 1999, chapter 216, article 2, section 27, subdivision 4, is amended to read:

Subd. 4. **Evaluation and report.** (a) ~~The~~ Each domestic fatality review team shall develop a system for evaluating the effectiveness of its program and shall focus on identifiable goals and outcomes. An evaluation must include data components as well as input from individuals involved in the review process.

(b) ~~The~~ Each domestic fatality review team shall issue ~~two~~ an annual ~~reports~~ report to the legislature ~~during the pilot project; one on or before December 31, 2000, and one on or before December 31, 2001.~~ The ~~reports~~ report must consist of the written aggregate recommendations of the domestic fatality review team without reference to specific cases. ~~The December 31, 2001, report must include recommendations for legislation.~~ ~~The reports~~ report must be available upon request and distributed to the governor, attorney general, supreme court, county board, and district court.

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

Sec. 6. **REPEALER.**

Laws 2002, chapter 266, section 1, as amended by Laws 2004, chapter 290, section 38, and Laws 2006, chapter 260, article 5, section 53, is repealed.

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

ARTICLE 3

COURTS AND PUBLIC DEFENDER

Section 1. **[260B.002] POLICY ON DISPROPORTIONATE MINORITY CONTACT.**

It is the policy of the state of Minnesota to identify and eliminate barriers to racial, ethnic, and gender fairness within the criminal justice, juvenile justice, corrections, and judicial systems, in support of the fundamental principle of fair and equitable treatment under law.

Sec. 2. Minnesota Statutes 2008, section 484.91, subdivision 1, is amended to read:

Subdivision 1. **Establishment.** Misdemeanor violations bureaus in the Fourth Judicial District shall be established in Minneapolis, a southern suburb location, and at any other northern and western suburban locations dispersed throughout the county as may be designated by a majority of the judges of the court.

Sec. 3. Minnesota Statutes 2008, section 491A.03, subdivision 1, is amended to read:

Subdivision 1. **Judges; referees.** The judges of district court ~~shall~~ may serve as judges of conciliation court. ~~In the Second and Fourth Judicial Districts, a majority of the judges~~ The chief judge of the district may appoint one or more suitable persons to act as referees in conciliation court; ~~a majority of the judges~~ the chief judge of the district shall establish qualifications for the office, specify the duties and length of service of referees, and fix their compensation ~~not to exceed an amount per day determined by the chief judge of the judicial district.~~

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 4. Minnesota Statutes 2008, section 609.131, subdivision 1, is amended to read:

Subdivision 1. **General rule.** Except as provided in subdivision 2, an alleged misdemeanor violation must be treated as a petty misdemeanor if the prosecuting attorney believes that it is in the interest of justice that the defendant not be imprisoned if convicted and certifies that belief to the court at or before the time of arraignment or pretrial hearing, and the court approves of the certification motion. The defendant's consent to the certification is ~~not~~ required. When an offense is certified as a petty misdemeanor under this section, the defendant's eligibility for court-appointed counsel must be evaluated as though the offense were a petty misdemeanor and the defendant will not be eligible for the appointment of a public defender.

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

Sec. 5. Minnesota Statutes 2008, section 611.17, is amended to read:

611.17 FINANCIAL INQUIRY; STATEMENTS; CO-PAYMENT; STANDARDS FOR DISTRICT PUBLIC DEFENSE ELIGIBILITY.

(a) Each judicial district must screen requests for representation by the district public defender. A defendant is financially unable to obtain counsel if:

(1) the defendant, ~~or any dependent of the defendant who resides in the same household as the defendant, receives means tested governmental benefits; or is charged with a misdemeanor, has no liquid assets, and has an annual income not greater than 150 percent of the poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services under the authority of United States Code, title 42, section 9902(2);~~

(2) the defendant is charged with a gross misdemeanor, has no liquid assets, and has an annual income not greater than 175 percent of the poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services under the authority of United States Code, title 42, section 9902(2);

(3) the defendant is charged with a felony, has no liquid assets, and has an annual income not greater than 200 percent of the poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services under the authority of United States Code, title 42, section 9902(2); or

(4) the defendant, through any combination of liquid assets and current income, would be unable to pay the reasonable costs charged by private counsel in that judicial district for a defense of the same matter.

(b) Upon a request for the appointment of counsel, the court shall make appropriate inquiry into the financial circumstances of the applicant, who shall submit a financial statement under oath or affirmation setting forth the applicant's assets and liabilities, including the value of any real property owned by the applicant, whether homestead or otherwise, less the amount of any encumbrances on the real property, the source or sources of income, and any other information required by the court. The applicant shall be under a continuing duty while represented by a public defender to disclose any changes in the applicant's financial circumstances that might be relevant to the applicant's eligibility for a public defender. The state public defender shall furnish appropriate forms for the financial statements. The forms must contain conspicuous notice of the applicant's continuing duty to disclose to the court changes in the applicant's financial circumstances. The forms must also contain conspicuous notice of the applicant's obligation to make a co-payment for the services of the district public defender, as specified under paragraph (c). The information contained in the statement shall be confidential and for the exclusive use of the court and the public defender appointed by the court to represent the applicant except for any prosecution under section 609.48. A refusal to execute the financial statement or produce financial records constitutes a waiver of the right to the appointment of a public defender. The court shall not appoint a district public defender to a defendant who is financially able to retain private counsel but refuses to do so.

An inquiry to determine financial eligibility of a defendant for the appointment of the district public defender shall be made whenever possible prior to the court appearance and by such persons as the court may direct. This inquiry may be combined with the prerelease investigation provided for in Minnesota Rule of Criminal Procedure 6.02, subdivision 3. In no case shall the district public defender be required to perform this inquiry or investigate the defendant's assets or eligibility. The court has the sole duty to conduct a financial inquiry. The inquiry must include the following:

(1) the liquidity of real estate assets, including the defendant's homestead;

(2) any assets that can be readily converted to cash or used to secure a debt;

(3) the determination of whether the transfer of an asset is voidable as a fraudulent conveyance; and

(4) the value of all property transfers occurring on or after the date of the alleged offense. The burden is on the accused to show that he or she is financially unable to afford counsel. Defendants who fail to provide information necessary to determine eligibility shall be deemed ineligible. The court must not appoint the district public defender as advisory counsel.

(c) Upon disposition of the case, an individual who has received public defender services shall pay to the court a \$28 co-payment for representation provided by a public defender, unless the co-payment is, or has been, waived by the court.

The co-payment must be credited to the general fund. If a term of probation is imposed as a part of an offender's sentence, the co-payment required by this section must not be made a condition of probation. The co-payment required by this section is a civil obligation and must not be made a condition of a criminal sentence.

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

Sec. 6. Minnesota Statutes 2008, section 611.18, is amended to read:

611.18 APPOINTMENT OF PUBLIC DEFENDER.

If it appears to a court that a person requesting the appointment of counsel satisfies the requirements of this chapter, the court shall order the appropriate public defender to represent the person ~~at all further stages of the proceeding through appeal, if any.~~ For a person appealing from a conviction, or a person pursuing a postconviction proceeding and who has not already had a direct appeal of the conviction, according to the standards of sections 611.14, clause (2), and 611.25, subdivision 1, paragraph (a), clause (2), the state chief appellate public defender shall be appointed. For a person covered by section 611.14, clause (1), ~~(3), or (4),~~ a district public defender shall be appointed to represent that person. ~~If (a) conflicting interests exist, (b) the district public defender for any other reason is unable to act, or (c) the interests of justice require, the state public defender may be ordered to represent a person. When the state public defender is directed by a court to represent a defendant or other person, the state public defender may assign the representation to any district public defender.~~ If at any stage of the proceedings, ~~including an appeal,~~ the court finds that the defendant is financially unable to pay counsel whom the defendant had retained, the court may appoint the appropriate public defender to represent the defendant, as provided in this section. Prior to any court appearance, a public defender may represent a person accused of violating the law, who appears to be financially unable to obtain counsel, and shall continue to represent the person unless it is subsequently determined that the person is financially able to obtain counsel. The representation may be made available at the discretion of the public defender, upon the request of the person or someone on the person's behalf. Any law enforcement officer may notify the public defender of the arrest of any such person.

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

Sec. 7. Minnesota Statutes 2008, section 611.20, subdivision 3, is amended to read:

Subd. 3. **Reimbursement.** In each fiscal year, the commissioner of finance shall deposit the payments in the general fund and credit them to a separate account with the Board of Public Defense. The amount credited to this account is appropriated to the Board of Public Defense, except that reimbursements collected in the Fourth Judicial District shall be returned to Hennepin County to offset the county's contribution to pay for the public defender system under section 611.26, subdivision 3a, paragraph (c).

The balance of this account does not cancel but is available until expended. Expenditures by the board from this account for each judicial district public defense office must be based on the amount of the payments received by the state from the courts in each judicial district. A district public defender's office that receives money under this subdivision shall use the money to supplement office overhead payments to part-time attorneys providing public defense services in the district. By January 15 of each year, the Board of Public Defense shall report to the chairs and ranking minority members of the senate and house of representatives divisions having jurisdiction over criminal justice funding on the amount appropriated under this subdivision, the number of cases handled by each district public defender's office, the number of cases in which reimbursements were ordered, the average amount of reimbursement ordered, and the average amount of money received by part-time attorneys under this subdivision.

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

Sec. 8. Minnesota Statutes 2008, section 611.21, is amended to read:

611.21 SERVICES OTHER THAN COUNSEL.

(a) ~~Counsel~~ For purposes of this section, "counsel" means a public defender appointed by the court for an indigent defendant, or an attorney who is working for a public defense corporation under section 611.216 and is representing a defendant who, at the outset of the prosecution, has an annual income not greater than 125 percent of the poverty line established under United States Code, title 42, section 9902(2);

(b) Counsel may file an ex parte application requesting investigative, expert, or other services necessary to an adequate defense in the case. Upon finding, after appropriate inquiry in an ex parte proceeding, that the services are necessary and that the defendant is financially unable to obtain them, the court shall authorize counsel to obtain the services on behalf of the defendant. The court may establish a limit on the amount which may be expended or promised for such services. The court may, in the interests of justice, and upon a finding that timely procurement of necessary services could not await prior authorization, ratify such services after they have been obtained, but such ratification shall be given only in unusual situations. The court shall determine reasonable compensation for the services and direct payment by the county in which the prosecution originated, to the organization or person who rendered them, upon the filing of a claim for compensation supported by an affidavit specifying the time expended, services rendered, and expenses incurred on behalf of the defendant, and the compensation received in the same case or for the same services from any other source.

~~(b)~~ (c) The compensation to be paid to a person for such service rendered to a defendant under this section, or to be paid to an organization for such services rendered by an employee, may not exceed \$1,000, exclusive of reimbursement for expenses reasonably incurred, unless payment in excess of that limit is certified by the court as necessary to provide fair compensation for services of an unusual character or duration and the amount of the excess payment is approved by the chief judge of the district. The chief judge of the judicial district may delegate approval authority to an active district judge.

~~(c)~~ (d) If the court denies authorizing counsel to obtain services on behalf of the defendant, the court shall make written findings of fact and conclusions of law that state the basis for determining that counsel may not obtain services on behalf of the defendant. When the court issues an order denying counsel the authority to obtain services, the defendant may appeal immediately from that order to the Court of Appeals and may request an expedited hearing.

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

Sec. 9. **[634.36] EVIDENCE OF VIDEOTAPES, AUDIOTAPES, OR OTHER RECORDINGS.**

In any hearing or trial of a criminal offense or petty misdemeanor or proceeding pursuant to section 169A.53, subdivision 3, evidence of a videotape, audiotape, or electronic or digital recording prepared by a peace officer, using recording equipment in a law enforcement vehicle while in the performance of official duties, shall not be excluded on the ground that a written transcript of the recording was not prepared and available at or prior to trial. As used in this section, "peace officer" has the meaning given in section 169A.03, subdivision 18.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to trials and hearings beginning on or after that date.

Sec. 10. **LICENSE REINSTATEMENT DIVERSION PILOT PROGRAM.**

Subdivision 1. **Establishment.** An eligible city may establish a license reinstatement diversion pilot program for holders of class D drivers' licenses who have been charged with violating Minnesota Statutes, section 171.24, subdivision 1 or 2, but have not yet entered a plea in the proceedings. An individual charged with driving after revocation under Minnesota Statutes, section 171.24, subdivision 2, is eligible for diversion only if the revocation was due to a violation of Minnesota Statutes, section 169.791; 169.797; 169A.52; 169A.54; or 171.17, subdivision 1, paragraph (a), clause (6). An individual who is a holder of a commercial driver's license or who has committed an offense in a commercial motor vehicle is ineligible for participation in the diversion pilot program.

Subd. 2. **Eligible cities.** Each of the cities of Duluth, St. Paul, South St. Paul, West St. Paul, and Inver Grove Heights is eligible to establish the license reinstatement diversion pilot program within its city.

Subd. 3. **Contract.** Notwithstanding any law or ordinance to the contrary, an eligible city may contract with a third party to create and administer the diversion program.

Subd. 4. **Diversion of individual.** A prosecutor for a participating city may determine whether to accept an individual for diversion, and in doing so shall consider:

(1) whether the individual has a record of driving without a valid license or other criminal record, or has previously participated in a diversion program;

(2) the strength of the evidence against the individual, along with any mitigating factors; and

(3) the apparent ability and willingness of the individual to participate in the diversion program and comply with its requirements.

Subd. 5. **Diversion driver's license.** (a) Notwithstanding any law to the contrary, the commissioner of public safety may issue a diversion driver's license to a person who is a participant in a pilot program for diversion, following receipt of an application and payment of:

(1) the reinstatement fee under Minnesota Statutes, section 171.20, subdivision 4, by a participant whose driver's license has been suspended;

(2) the reinstatement fee under Minnesota Statutes, section 171.29, subdivision 2, paragraph (a), by a participant whose driver's license has been revoked under Minnesota Statutes, section 169.791; 169.797; or 171.17, subdivision 1, paragraph (a), clause (6); or

(3) the reinstatement fee under Minnesota Statutes, section 171.29, subdivision 2, paragraph (a), by a participant whose driver's license has been revoked under Minnesota Statutes, section 169A.52 or 169A.54. The reinstatement fee and surcharge, both of which are provided under Minnesota Statutes, section 171.29, subdivision 2, paragraph (b), also must be paid during the course of, and as a condition of, the diversion program.

The diversion driver's license may bear restrictions imposed by the commissioner suitable to the licensee's driving ability or other restrictions applicable to the licensee as the commissioner may determine to be appropriate to assure the safe operation of a motor vehicle by the licensee.

(b) Payments by participants in the diversion program of the reinstatement fee and surcharge under Minnesota Statutes, section 171.29, subdivision 2, paragraph (b), must be applied first toward payment of the reinstatement fee, and after the reinstatement fee has been fully paid, toward payment of the surcharge. Each payment that is applied toward the reinstatement fee must be credited as provided in Minnesota Statutes, section 171.29, subdivision 2, paragraph (b), and each payment that is applied toward the surcharge must be credited as provided in Minnesota Statutes, section 171.29, subdivision 2, paragraphs (c) and (d).

Subd. 6. **Components of program.** (a) At a minimum, the diversion program must require individuals to:

(1) successfully attend and complete, at the individual's expense, educational classes that provide, among other things, information on drivers' licensure;

(2) pay, according to a schedule approved by the prosecutor, all required fees, fines, and charges, including applicable statutory license reinstatement fees and costs of participation in the program;

(3) comply with all traffic laws; and

(4) demonstrate compliance with vehicle insurance requirements.

(b) An individual who is accepted into the pilot program is eligible to apply for a diversion driver's license.

Subd. 7. Termination of participation in diversion program. (a) An individual's participation in the diversion program may terminate when:

(1) during participation in the program, the individual is guilty of a moving traffic violation or failure to provide vehicle insurance;

(2) the third-party administrator of the diversion program informs the court and the commissioner of public safety that the individual is no longer satisfying the conditions of the diversion; or

(3) the third-party administrator informs the court, the prosecutor, and the commissioner of public safety that the individual has met all conditions of the diversion program including, at a minimum, satisfactory fulfillment of the components in subdivision 6, whereupon the court shall dismiss the charge or the prosecutor shall decline to prosecute.

(b) Upon termination of an individual's participation in the diversion program, the commissioner shall cancel the individual's diversion driver's license.

(c) The original charge against the individual of a violation of Minnesota Statutes, section 171.24, may be reinstated against an individual whose participation in the diversion program terminates under paragraph (a), clause (1) or (2).

(d) The commissioner shall reinstate the driver's license of an individual whose participation in the diversion program terminates under paragraph (a), clause (3).

Subd. 8. Report. (a) By February 1, 2011, the commissioner of public safety and each eligible city that participates in the diversion program shall report to the legislative committees with jurisdiction over transportation and the judiciary concerning the results of the program. The report must include, without limitation, the effect of the program on:

(1) recidivism rates for participants in the diversion pilot program;

(2) the number of unlicensed drivers who continue to drive in violation of Minnesota Statutes, section 171.24;

(3) payment of the fees and fines collected in the diversion pilot program to cities, counties, and the state;

(4) educational support provided to participants in the diversion pilot program; and

(5) the total number of participants in the diversion pilot program and the number of participants who have terminated from the pilot program under subdivision 7, paragraph (a), clauses (1) to (3).

(b) The report must include recommendations regarding the future of the program and any necessary legislative changes.

Subd. 9. Sunset. The pilot project under this section expires June 30, 2011.

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

Sec. 11. **REPEALER.**

Minnesota Statutes 2008, section 383B.65, subdivision 2, is repealed.

ARTICLE 4

CORRECTIONS AND SENTENCING GUIDELINES

Section 1. **[244.1951] COURT-ORDERED PROBATION OR PRETRIAL RELEASE; SEARCHES AUTHORIZED.**

Subdivision 1. **Purpose.** The purpose of this section is to assist probation officers and pretrial release agents in monitoring compliance with the conditions imposed on persons placed upon court-ordered probation or pretrial release.

Subd. 2. **Condition of release.** A court may condition the release of a person placed upon court-ordered probation or pretrial release on the person's stipulation to submit to warrantless searches of the person or vehicle or any portion of a premises under the person's control by, or at the direction of, any probation officer or pretrial release agent for the purpose of determining compliance with the person's conditions of probation or pretrial release.

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

Sec. 2. Minnesota Statutes 2008, section 357.021, subdivision 6, is amended to read:

Subd. 6. **Surcharges on criminal and traffic offenders.** (a) Except as provided in this paragraph, the court shall impose and the court administrator shall collect a \$75 surcharge on every person convicted of any felony, gross misdemeanor, misdemeanor, or petty misdemeanor offense, other than a violation of a law or ordinance relating to vehicle parking, for which there shall be a \$4 surcharge. In the Second Judicial District, the court shall impose, and the court administrator shall collect, an additional \$1 surcharge on every person convicted of any felony, gross misdemeanor, misdemeanor, or petty misdemeanor offense, including a violation of a law or ordinance relating to vehicle parking, if the Ramsey County Board of Commissioners authorizes the \$1 surcharge. The surcharge shall be imposed whether or not the person is sentenced to imprisonment or the sentence is stayed. The surcharge shall not be imposed when a person is convicted of a petty misdemeanor for which no fine is imposed.

(b) If the court fails to impose a surcharge as required by this subdivision, the court administrator shall show the imposition of the surcharge, collect the surcharge, and correct the record.

(c) The court may not waive payment of the surcharge required under this subdivision. Upon a showing of indigency or undue hardship upon the convicted person or the convicted person's immediate family, the sentencing court may authorize payment of the surcharge in installments.

(d) The court administrator or other entity collecting a surcharge shall forward it to the commissioner of finance.

(e) If the convicted person is sentenced to imprisonment and has not paid the surcharge before the term of imprisonment begins, the chief executive officer of the correctional facility in which the convicted person is incarcerated shall collect the surcharge from any earnings the inmate accrues from work performed in the facility or while on conditional release. The chief executive officer shall forward the amount collected to the ~~commissioner of finance~~ court administrator or other entity collecting the surcharge imposed by the court.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to surcharges collected by the chief executive officer of a correctional facility on or after that date.

Sec. 3. Minnesota Statutes 2008, section 401.025, subdivision 1, is amended to read:

Subdivision 1. **Peace officers and probation officers serving CCA counties.** (a) When it appears necessary to enforce discipline or to prevent a person on conditional release from escaping or absconding from supervision, the chief executive officer or designee of a community corrections agency in a CCA county has the authority to issue a written order directing any peace officer ~~in the county~~ or any probation officer in the state serving the district and juvenile courts ~~of the county~~ to detain and bring the person before the court or the commissioner, whichever is appropriate, for disposition. This written order is sufficient authority for the peace officer or probation officer to detain the person for not more than 72 hours, excluding Saturdays, Sundays, and holidays, pending a hearing before the court or the commissioner.

(b) The chief executive officer or designee of a community corrections agency in a CCA county has the authority to issue a written order directing a peace officer or probation officer serving the district and juvenile courts ~~of the county~~ to release a person detained under paragraph (a) within 72 hours, excluding Saturdays, Sundays, and holidays, without an appearance before the court or the commissioner. This written order is sufficient authority for the peace officer or probation officer to release the detained person.

(c) The chief executive officer or designee of a community corrections agency in a CCA county has the authority to issue a written order directing any peace officer ~~in the county~~ or any probation officer serving the district and juvenile courts ~~of the county~~ to detain any person on court-ordered pretrial release who absconds from pretrial release or fails to abide by the conditions of pretrial release. A written order issued under this paragraph is sufficient authority for the peace officer or probation officer to detain the person.

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

Sec. 4. Minnesota Statutes 2008, section 471.59, is amended by adding a subdivision to read:

Subd. 12b. **Correctional officers.** If there is an agreement, merger, or consolidation between two or more local correctional or detention facilities, a correctional officer who becomes employed by a new entity created by the agreement, merger, or consolidation must receive credit for accumulated vacation and sick leave time earned by the correctional officer during the officer's employment with a governmental unit immediately preceding the creation of the new entity. If a correctional officer working pursuant to an agreement, merger, or consolidation becomes employed by the new entity, the correctional officer is considered to have begun employment with the new entity on the first day of employment with the governmental unit employing the correctional officer immediately preceding the creation of the new entity and must be credited with all previously accumulated vacation and sick leave time.

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

Sec. 5. Minnesota Statutes 2008, section 609.2232, is amended to read:

609.2232 CONSECUTIVE SENTENCES FOR ASSAULTS COMMITTED BY STATE PRISON INMATES.

If an inmate of a state correctional facility is convicted of violating section 609.221, 609.222, 609.223, 609.2231, or 609.224, while confined in the facility, the sentence imposed for the assault shall be executed and shall run consecutively, not concurrently, to any unexpired portion of the offender's earlier sentence. The inmate is not entitled to credit against the sentence imposed for the assault for time served in confinement for the earlier sentence. The inmate shall serve the sentence for the assault in a state correctional facility even if the assault conviction was for a misdemeanor or gross misdemeanor.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to offenses committed on or after that date.

Sec. 6. Minnesota Statutes 2008, section 629.34, subdivision 1, is amended to read:

Subdivision 1. **Peace officers.** (a) A peace officer, as defined in section 626.84, subdivision 1, clause (c), who is on or off duty within the jurisdiction of the appointing authority, or on duty outside the jurisdiction of the appointing authority pursuant to section 629.40, may arrest a person without a warrant as provided under paragraph (c).

(b) A part-time peace officer, as defined in section 626.84, subdivision 1, clause (d), who is on duty within the jurisdiction of the appointing authority, or on duty outside the jurisdiction of the appointing authority pursuant to section 629.40 may arrest a person without a warrant as provided under paragraph (c).

(c) A peace officer or part-time peace officer who is authorized under paragraph (a) or (b) to make an arrest without a warrant may do so under the following circumstances:

(1) when a public offense has been committed or attempted in the officer's presence;

(2) when the person arrested has committed a felony, although not in the officer's presence;

(3) when a felony has in fact been committed, and the officer has reasonable cause for believing the person arrested to have committed it;

(4) upon a charge based upon reasonable cause of the commission of a felony by the person arrested;

(5) under the circumstances described in clause (2), (3), or (4), when the offense is a gross misdemeanor violation of section 609.52, 609.595, 609.631, 609.749, or 609.821; ~~or~~

(6) under circumstances described in clause (2), (3), or (4), when the offense is a nonfelony violation of a restraining order or no contact order previously issued by a court; ~~or~~

(7) under the circumstances described in clause (2), (3), or (4), when the offense is a gross misdemeanor violation of section 609.485 and the person arrested is a juvenile committed to the custody of the commissioner of corrections.

(d) To make an arrest authorized under this subdivision, the officer may break open an outer or inner door or window of a dwelling house if, after notice of office and purpose, the officer is refused admittance.

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to persons escaping from custody on or after that date.

Sec. 7. **SENTENCING GUIDELINES COMMISSION; CONSOLIDATION OF REPORTS.**

The Sentencing Guidelines Commission may consolidate legislatively mandated reports to achieve administrative efficiencies or fiscal savings or to reduce the burden of reporting requirements. The Sentencing Guidelines Commission may not eliminate a legislatively mandated reporting requirement without prior legislative approval.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 8. **STUDY OF EVIDENCE-BASED PRACTICES IN MINNESOTA; REPORT TO THE LEGISLATURE.**

Subdivision 1. Direction. The Department of Correction's Minnesota Information and Supervision Services Committee's Evidence-Based Practices Policy Team shall undertake an assessment of the use of evidence-based practices for community supervision in Minnesota and opportunities for greater implementation of evidence-based practices.

Subd. 2. Subject matter. (a) The policy team must review, assess, and make specific recommendations with regard to the following areas:

- (1) implementation of evidence-based practices intended to reduce recidivism;
- (2) improvement of policies and practices for crime victims;
- (3) establishment of an earned compliance credit program;
- (4) performance measures for community supervision agencies;
- (5) potential performance incentives for community supervision agencies; and
- (6) any other topic related to evidence-based practices that the committee deems appropriate for inclusion.

(b) In assessing the topics listed in paragraph (a), the policy team must address the following:

- (1) the extent to which evidence-based practices are currently used in Minnesota;
- (2) fiscal barriers to further implementation of evidence-based practices;
- (3) structural barriers to further implementation of evidence-based practices;
- (4) statutory barriers to further implementation of evidence-based practices;
- (5) potential solutions that address the identified barriers; and

(6) any other factor that the committee deems necessary to fully assess the state of evidence-based practices in Minnesota.

Subd. 3. Report to legislature. The policy team shall report its findings and recommendations to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over criminal justice policy and funding by January 15, 2011.

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

Sec. 9. **REPEALER.**

Minnesota Statutes 2008, sections 260B.199, subdivision 2; and 260B.201, subdivision 3, are repealed.

EFFECTIVE DATE. This section is effective the day following final enactment.

ARTICLE 5

PUBLIC SAFETY

Section 1. Minnesota Statutes 2008, section 12.03, is amended by adding a subdivision to read:

Subd. 9b. **Specialized emergency response team.** "Specialized emergency response team" means a team that has been approved by the state director of the Division of Homeland Security and Emergency Management for the purpose of supplementing state or local resources for responding to an emergency or disaster.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 2. **[12.351] SPECIALIZED EMERGENCY RESPONSE TEAM.**

The state director of the Division of Homeland Security and Emergency Management shall determine if, in response to an emergency or disaster, activation of a specialized emergency response team for deployment to any political subdivision is in the public interest. If so, the state director may activate a team. When activated by the state director, team members not employed by any political subdivision struck by the emergency or disaster are deemed employees of the state for purposes of workers' compensation and tort claim defense and indemnification. The provisions of chapter 176 and other applicable statutes must be followed for purposes of calculating workers' compensation benefits.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 3. Minnesota Statutes 2008, section 152.02, subdivision 6, is amended to read:

Subd. 6. **Schedule V; restrictions on methamphetamine precursor drugs.** (a) As used in this subdivision, the following terms have the meanings given:

(1) "methamphetamine precursor drug" means any compound, mixture, or preparation intended for human consumption containing ephedrine or pseudoephedrine as its sole active ingredient or as one of its active ingredients; and

(2) "over-the-counter sale" means a retail sale of a drug or product but does not include the sale of a drug or product pursuant to the terms of a valid prescription.

(b) The following items are listed in Schedule V:

(1) any compound, mixture, or preparation containing any of the following limited quantities of narcotic drugs, which shall include one or more nonnarcotic active medicinal ingredients in sufficient proportion to confer upon the compound, mixture or preparation valuable medicinal qualities other than those possessed by the narcotic drug alone:

(i) not more than 100 milligrams of dihydrocodeine per 100 milliliters or per 100 grams;

(ii) not more than 100 milligrams of ethylmorphine per 100 milliliters or per 100 grams;

(iii) not more than 2.5 milligrams of diphenoxylate and not less than 25 micrograms of atropine sulfate per dosage unit; or

(iv) not more than 15 milligrams of anhydrous morphine per 100 milliliters or per 100 grams; and

(2) any compound, mixture, or preparation containing ephedrine or pseudoephedrine as its sole active ingredient or as one of its active ingredients.

(c) No person may sell in a single over-the-counter sale more than two packages of a methamphetamine precursor drug or a combination of methamphetamine precursor drugs or any combination of packages exceeding a total weight of six grams.

(d) Over-the-counter sales of methamphetamine precursor drugs are limited to:

(1) packages containing not more than a total of three grams of one or more methamphetamine precursor drugs, calculated in terms of ephedrine base or pseudoephedrine base; or

(2) for nonliquid products, sales in blister packs, where each blister contains not more than two dosage units, or, if the use of blister packs is not technically feasible, sales in unit dose packets or pouches.

(e) A business establishment that offers for sale methamphetamine precursor drugs in an over-the-counter sale shall ensure that all packages of the drugs are displayed behind a checkout counter where the public is not permitted and are offered for sale only by a licensed pharmacist, a registered pharmacy technician, or a pharmacy clerk. The establishment shall ensure that the person making the sale requires the buyer:

(1) to provide photographic identification showing the buyer's date of birth; and

(2) to sign a written or electronic document detailing the date of the sale, the name of the buyer, and the amount of the drug sold.

A document described under clause (2) must be retained by the establishment for at least five years and must at all reasonable times be open to the inspection of any law enforcement agency.

Nothing in this paragraph requires the buyer to obtain a prescription for the drug's purchase.

(f) No person may acquire through over-the-counter sales more than six grams of methamphetamine precursor drugs within a 30-day period.

(g) No person may sell in an over-the-counter sale a methamphetamine precursor drug to a person under the age of 18 years. It is an affirmative defense to a charge under this paragraph if the defendant proves by a preponderance of the evidence that the defendant reasonably and in good faith relied on proof of age as described in section 340A.503, subdivision 6.

(h) A person who knowingly violates paragraph (c), (d), (e), (f), or (g) is guilty of a misdemeanor and may be sentenced to imprisonment for not more than 90 days, or to payment of a fine of not more than \$1,000, or both.

(i) An owner, operator, supervisor, or manager of a business establishment that offers for sale methamphetamine precursor drugs whose employee or agent is convicted of or charged with violating paragraph (c), (d), (e), (f), or (g) is not subject to the criminal penalties for violating any of those paragraphs if the person:

(1) did not have prior knowledge of, participate in, or direct the employee or agent to commit the violation; and

(2) documents that an employee training program was in place to provide the employee or agent with information on the state and federal laws and regulations regarding methamphetamine precursor drugs.

(j) Any person employed by a business establishment that offers for sale methamphetamine precursor drugs who sells such a drug to any person in a suspicious transaction shall report the transaction to the owner, supervisor, or manager of the establishment. The owner, supervisor, or manager may report the transaction to local law enforcement. A person who reports information under this subdivision in good faith is immune from civil liability relating to the report.

(k) Paragraphs (b) to (j) do not apply to:

(1) pediatric products labeled pursuant to federal regulation primarily intended for administration to children under 12 years of age according to label instructions;

(2) methamphetamine precursor drugs that are certified by the Board of Pharmacy as being manufactured in a manner that prevents the drug from being used to manufacture methamphetamine;

(3) methamphetamine precursor drugs in gel capsule or liquid form; or

(4) compounds, mixtures, or preparations in powder form where pseudoephedrine constitutes less than one percent of its total weight and is not its sole active ingredient.

(l) The Board of Pharmacy, in consultation with the Department of Public Safety, shall certify methamphetamine precursor drugs that meet the requirements of paragraph (k), clause (2), and publish an annual listing of these drugs.

(m) Wholesale drug distributors licensed and regulated by the Board of Pharmacy pursuant to sections 151.42 to 151.51 and registered with and regulated by the United States Drug Enforcement Administration are exempt from the methamphetamine precursor drug storage requirements of this section.

(n) This section preempts all local ordinances or regulations governing the sale by a business establishment of over-the-counter products containing ephedrine or pseudoephedrine. All ordinances enacted prior to the effective date of this act are void.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 4. Minnesota Statutes 2008, section 152.02, subdivision 12, is amended to read:

Subd. 12. **Coordination of controlled substance regulation with federal law and state statute.** If any substance is designated, rescheduled, or deleted as a controlled substance under federal law and notice thereof is given to the state Board of Pharmacy, the state Board of Pharmacy shall similarly control the substance under this chapter, after the expiration of 30 days from publication in the Federal Register of a final order designating a substance as a controlled substance or rescheduling or deleting a substance. Such order shall be filed with the secretary of state. If within that 30-day period, the state Board of Pharmacy objects to inclusion, rescheduling, or deletion, it shall publish the reasons for objection and afford all interested parties an opportunity to be heard. At the conclusion of the hearing, the state Board of Pharmacy shall publish its decision, which shall be subject to the provisions of chapter 14.

In exercising the authority granted by this chapter, the state Board of Pharmacy shall be subject to the provisions of chapter 14. The state Board of Pharmacy shall provide copies of any proposed rule under this chapter to the advisory council on controlled substances at least 30 days prior to any hearing required by section 14.14, subdivision 1. The state Board of Pharmacy shall consider the recommendations of the advisory council on controlled substances, which may be made prior to or at the hearing.

The state Board of Pharmacy shall annually submit a report to the legislature on or before December 1 that specifies what changes the board made to the controlled substance schedules maintained by the board in Minnesota Rules, parts 6800.4210 to 6800.4250, in the preceding 12 months. The report must include specific recommendations for amending the controlled substance schedules contained in subdivisions 2 to 6, so that they conform with the controlled substance schedules maintained by the board in Minnesota Rules, parts 6800.4210 to 6800.4250.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 5. Minnesota Statutes 2008, section 299A.681, is amended to read:

299A.681 FINANCIAL CRIMES ~~OVERSIGHT COUNCIL~~ ADVISORY BOARD AND TASK FORCE.

Subdivision 1. ~~Oversight council~~ **Advisory board.** The Minnesota Financial Crimes ~~Oversight Council~~ Advisory Board shall provide ~~guidance~~ advice to the commissioner of public safety related to the investigation and prosecution of identity theft and financial crime.

Subd. 2. **Membership.** The ~~oversight council~~ advisory board consists of the following individuals, or their designees:

- (1) the commissioner of public safety;
- (2) the attorney general;
- (3) two chiefs of police, selected by the Minnesota Chiefs of Police Association ~~from police departments that participate in the Minnesota Financial Crimes Task Force;~~
- (4) two sheriffs, selected by the Minnesota Sheriffs Association ~~from sheriff departments that participate in the task force;~~
- (5) the United States attorney for the district of Minnesota;
- (6) a county attorney, selected by the Minnesota County Attorneys Association;
- ~~(7) a representative from the United States Postal Inspector's Office, selected by the oversight council;~~
- ~~(8) a representative from a not for profit retail merchants industry, selected by the oversight council;~~
- ~~(9) a representative from a not for profit banking and credit union industry, selected by the oversight council;~~
- ~~(10) a representative from a not for profit association representing senior citizens, selected by the oversight council;~~
- (7) a representative from the Board of Public Defense, selected by that board;
- (8) a representative from a federal law enforcement agency, selected by the advisory board;
- (9) a representative from the retail merchants industry, selected by the advisory board;
- (10) a representative from the banking and credit union industry, selected by the advisory board;

(11) a representative on behalf of senior citizens, selected by the advisory board;

~~(11)~~ (12) the statewide commander of the task force;

~~(12) a representative from the Board of Public Defense, selected by the board;~~

~~(13) two additional members selected by the oversight council advisory board;~~

(14) a senator who serves on the committee having jurisdiction over criminal justice policy, chosen by the Subcommittee on Committees of the senate Committee on Rules and Administration; and

(15) a representative who serves on the committee having jurisdiction over criminal justice policy, chosen by the speaker of the house.

The ~~oversight council~~ advisory board may adopt procedures to govern its conduct and shall select a chair from among its members. The legislative members of the ~~council~~ advisory board may not vote on matters before the ~~council~~ board.

Subd. 3. **Duties.** ~~The oversight council shall develop~~ advisory board shall offer advice to the commissioner on the development of an overall strategy to ameliorate the harm caused to the public by identity theft and financial crime within Minnesota. The strategy may include the development of protocols and procedures to investigate financial crimes and a structure for best addressing these issues on a statewide basis and in a multijurisdictional manner. ~~Additionally, the oversight council~~ The commissioner shall:

(1) establish a multijurisdictional statewide Minnesota Financial Crimes Task Force to investigate major financial crimes;

(2) with advice from the advisory board, select a statewide commander of the task force who serves at the pleasure of the ~~oversight council~~ commissioner;

(3) ~~assist the Department of Public Safety in developing~~ develop an objective grant review application process that is free from conflicts of interest;

(4) ~~make funding recommendations to the commissioner of public safety on~~ with advice from the advisory board, issue grants to support efforts to combat identity theft and financial crime;

(5) with advice from the advisory board, assist law enforcement agencies and victims in developing a process to collect and share information to improve the investigation and prosecution of identity theft and financial crime;

(6) with advice from the advisory board, develop and approve an operational budget for the office of the statewide commander and the ~~oversight council~~ Minnesota Financial Crimes Task Force; and

(7) enter into any contracts necessary to establish and maintain a relationship with retailers, financial institutions, and other businesses to deal effectively with identity theft and financial crime.

The task force described in clause (1) may consist of members from local law enforcement agencies, federal law enforcement agencies, state and federal prosecutors' offices, ~~the Board of Public Defense,~~ and representatives from ~~elderly victims,~~ retail businesses, financial institutions, and not-for-profit organizations.

Subd. 4. **Statewide commander.** (a) ~~The Minnesota Financial Crimes Task Force commander under Minnesota Statutes 2004, section 299A.68, shall oversee the transition of that task force into the task force described in subdivision 3 and remain in place as its commander until July 1, 2008. On that date, The commissioner of public safety shall appoint as a~~ statewide commander ~~the individual selected by the oversight council under subdivision 3.~~

(b) The commander shall:

- (1) coordinate and monitor all multijurisdictional identity theft and financial crime enforcement activities;
- (2) facilitate local efforts and ensure statewide coordination with efforts to combat identity theft and financial crime;
- (3) facilitate training for law enforcement and other personnel;
- (4) monitor compliance with investigative protocols;
- (5) implement an outcome evaluation and data quality control process;
- (6) be responsible for the selection and for cause removal of assigned task force investigators who are designated participants under a memorandum of understanding or who receive grant funding;
- (7) provide supervision of assigned task force investigators;
- (8) submit a task force operational budget to the ~~oversight council~~ commissioner of public safety for approval; and
- (9) submit quarterly task force activity reports to the ~~oversight council~~ advisory board.

Subd. 5. **Participating officers; employment status.** All law enforcement officers selected to participate in the task force must be licensed peace officers as defined in section 626.84, subdivision 1, or qualified federal law enforcement officers as defined in section 626.8453. Participating officers remain employees of the same entity that employed them before joining any multijurisdictional entity established under this section. Participating officers are not employees of the state.

Subd. 6. **Jurisdiction and powers.** Law enforcement officers participating in any multijurisdictional entity established under this section have statewide jurisdiction to conduct criminal investigations and have the same powers of arrest as those possessed by a sheriff. ~~The task force shall retain from its predecessor the assigned originating reporting number for case reporting purposes.~~

Subd. 7. **Grants authorized.** The commissioner of public safety, ~~upon recommendation of the oversight council with advice from the advisory board,~~ shall make grants to state and local units of government to combat identity theft and financial crime. The commander, as funding permits, may prepare a budget to establish four regional districts and funding grant allocations programs outside the counties of Hennepin, Ramsey, Anoka, Washington, and Dakota. The budget must be reviewed and approved by the ~~oversight council and recommended to the~~ commissioner to support these efforts.

Subd. 8. **Victims assistance program.** (a) The ~~oversight council~~ commissioner may establish a victims' assistance program to assist victims of economic crimes and provide prevention and awareness programs. The ~~oversight council~~ commissioner may retain the services of not-for-profit organizations to assist in the development and delivery systems in aiding victims of financial crime. The program may not provide any financial assistance to victims, but may assist victims in obtaining police assistance and advise victims in how to protect personal accounts and identities. Services may include a victim toll-free telephone number, fax number, Web site, Monday through Friday telephone service, e-mail response, and interfaces to other helpful Web sites. Victims' information compiled are governed under chapter 13.

(b) The ~~oversight council~~ commissioner may post or communicate through public service announcements in newspapers, radio, television, cable access, billboards, Internet, Web sites, and other normal advertising channels, a financial reward of up to \$2,000 for tips leading to the apprehension and successful prosecution of individuals committing economic crime. All rewards must ~~meet the oversight council's standards~~ be approved by the commissioner. The release of funds must be made to an individual whose information leads to the apprehension and prosecution of offenders committing economic or financial crimes against citizens or businesses in Minnesota. All rewards paid to an individual must be reported to the Department of Revenue along with the individual's Social Security number.

Subd. 9. ~~Oversight council~~ Advisory board and task force are permanent. Notwithstanding section 15.059, this section does not expire.

Subd. 10. **Funding.** The ~~oversight council~~ commissioner may accept lawful grants and in-kind contributions from any federal, state, or local source or legal business or individual not funded by this section for general operation support, including personnel costs. These grants or in-kind contributions are not to be directed toward the case of a particular victim or business. The ~~oversight council's~~ task force's fiscal agent shall handle all funds approved by the ~~oversight council~~ commissioner, including in-kind contributions.

Subd. 11. **Forfeiture.** Property seized by the task force is subject to forfeiture pursuant to sections 609.531, 609.5312, 609.5313, and 609.5315 if ownership cannot be established. The ~~council~~ task force shall receive the proceeds from the sale of all property properly seized and forfeited.

~~Subd. 12. **Transfer equipment from current task force.** All equipment possessed by the task force described in Minnesota Statutes 2004, section 299A.68, is transferred to the oversight council for use by the task force described in this section.~~

Subd. 13. **Report required.** By February 1 of each year, the ~~oversight council~~ commissioner shall report to the chairs and ranking minority members of the senate and house of representatives committees and divisions having jurisdiction over criminal justice policy and funding on the activities of the ~~council and~~ task force. At a minimum, this annual report must include:

- (1) a description of the ~~council's and~~ task force's goals for the previous year and for the coming year;
- (2) a description of the outcomes the ~~council and~~ task force achieved or did not achieve during the preceding year and a description of the outcomes they will seek to achieve during the coming year;
- (3) any legislative recommendations the ~~council or task force~~ advisory board or commissioner has including, where necessary, a description of the specific legislation needed to implement the recommendations;
- (4) a detailed accounting of how appropriated money, grants, and in-kind contributions were spent; and
- (5) a detailed accounting of the grants awarded under this section.

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

Sec. 6. Minnesota Statutes 2008, section 299C.40, subdivision 2, is amended to read:

Subd. 2. **Purpose.** CIBRS is a statewide system containing data from law enforcement agencies. Data in CIBRS must be made available to law enforcement agencies ~~in order to~~

(1) prepare a case against a person, whether known or unknown, for the commission of a crime or other offense for which the agency has investigative authority, or for purposes of:

(2) serve process in a criminal case;

(3) inform law enforcement officers of possible safety issues prior to service of process;

(4) enforce no contact orders;

(5) locate missing persons; or

(6) conduct background investigations required by section 626.87.

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

Sec. 7. **[325F.135] UNSAFE RECALLED TOYS; PROHIBITION ON SALE.**

(a) No commercial retailer shall sell in this state a toy that the commercial retailer knows at the time of the sale has been recalled for any safety-related reason by an agency of the federal government or by the toy's manufacturer, wholesaler, distributor, or importer.

(b) For purposes of this section, "toy" means an item designed primarily for the purpose of play activity by children under the age of 12 years and "recalled" excludes corrective actions that involve safety alerts, parts replacement, or consumer repairs.

(c) This section shall be enforced under sections 325F.14 to 325F.16.

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to violations occurring on or after that date.

Sec. 8. Minnesota Statutes 2008, section 343.31, subdivision 1, is amended to read:

Subdivision 1. **Penalty for animal fighting; attending animal fight.** (a) Whoever does any of the following is guilty of a felony:

(1) promotes, engages in, or is employed in the activity of cockfighting, dogfighting, or violent pitting of one pet or companion animal as defined in section 346.36, subdivision 6, against another of the same or a different kind;

(2) receives money for the admission of a person to a place used, or about to be used, for that activity;

(3) willfully permits a person to enter or use for that activity premises of which the permitter is the owner, agent, or occupant; or

(4) uses, trains, or possesses a dog or other animal for the purpose of participating in, engaging in, or promoting that activity.

(b) Whoever purchases a ticket of admission or otherwise gains admission to the activity of cockfighting, dogfighting, or violent pitting of one pet or companion animal as defined in section 346.36, subdivision 6, against another of the same or a different kind is guilty of a gross misdemeanor.

(c) Whoever possesses any device or substance with intent to use or permit the use of the same to enhance an animal's ability to fight is guilty of a gross misdemeanor.

(e)(d) This subdivision shall not apply to the taking of a wild animal by hunting.

Sec. 9. **[364.021] PUBLIC EMPLOYMENT; CONSIDERATION OF CRIMINAL RECORDS.**

(a) A public employer may not inquire into or consider the criminal record or criminal history of an applicant for public employment until the applicant has been selected for an interview by the employer.

(b) This section does not apply to the Department of Corrections or to public employers who have a statutory duty to conduct a criminal history background check or otherwise take into consideration a potential employee's criminal history during the hiring process.

(c) This section does not prohibit a public employer from notifying applicants that law or the employer's policy will disqualify an individual with a particular criminal history background from employment in particular positions.

Sec. 10. Minnesota Statutes 2008, section 471.59, is amended by adding a subdivision to read:

Subd. 12a. **Joint exercise of police power; employees.** If an agreement, merger, or consolidation authorizes the exercise of peace officer or police powers by an officer appointed by one of the governmental units within the jurisdiction of the other governmental unit, a peace officer or public safety dispatcher, working pursuant to or as a result of that agreement, merger, or consolidation, must receive credit for accumulated vacation and sick leave time earned within the governmental unit employing the peace officer or public safety dispatcher immediately preceding the agreement, merger, or consolidation. If a peace officer or public safety dispatcher working pursuant to an agreement, merger, or consolidation becomes employed by the new entity, that peace officer or public safety dispatcher is considered to have begun employment with the new entity on the first day of employment by the governmental unit employing the peace officer or public safety dispatcher immediately preceding the creation of the new entity and must be credited with all previously accumulated vacation and sick leave time.

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

Sec. 11. Minnesota Statutes 2008, section 609.2231, is amended by adding a subdivision to read:

Subd. 8. **Public utility employees and contractors.** (a) A person is guilty of a gross misdemeanor who:

(1) assaults an employee or contractor of a utility while the employee or contractor is engaged in the performance of the employee's or contractor's duties;

(2) knows that the victim is a utility employee or contractor (i) performing duties of the victim's employment or (ii) fulfilling the victim's contractual obligations; and

(3) inflicts demonstrable bodily harm.

(b) As used in this subdivision, "utility" has the meaning given it in section 609.594, subdivision 1, clause (3).

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to crimes committed on or after that date.

Sec. 12. Minnesota Statutes 2008, section 609.605, subdivision 1, is amended to read:

Subdivision 1. **Misdemeanor.** (a) The following terms have the meanings given them for purposes of this section.

(1) "Premises" means real property and any appurtenant building or structure.

(2) "Dwelling" means the building or part of a building used by an individual as a place of residence on either a full-time or a part-time basis. A dwelling may be part of a multidwelling or multipurpose building, or a manufactured home as defined in section 168.002, subdivision 16.

(3) "Construction site" means the site of the construction, alteration, painting, or repair of a building or structure.

(4) "Owner or lawful possessor," as used in paragraph (b), clause (9), means the person on whose behalf a building or dwelling is being constructed, altered, painted, or repaired and the general contractor or subcontractor engaged in that work.

(5) "Posted," as used:

(i) in paragraph (b), clause (9), means the placement of a sign at least 11 inches square in a conspicuous place on the exterior of the building that is under construction, alteration, or repair, and additional signs in at least two conspicuous places for each ten acres being protected. The sign must carry an appropriate notice and the name of the person giving the notice, followed by the word "owner" if the person giving the notice is the holder of legal title to the land on which the construction site is located or by the word "occupant" if the person giving the notice is not the holder of legal title but is a lawful occupant of the land; and

(ii) in paragraph (b), clause (10), means the placement of signs that:

(A) state "no trespassing" or similar terms;

(B) display letters at least two inches high;

(C) state that Minnesota law prohibits trespassing on the property; and

(D) are posted in a conspicuous place and at intervals of 500 feet or less.

(6) "Business licensee," as used in paragraph (b), clause (9), includes a representative of a building trades labor or management organization.

(7) "Building" has the meaning given in section 609.581, subdivision 2.

(b) A person is guilty of a misdemeanor if the person intentionally:

(1) permits domestic animals or fowls under the actor's control to go on the land of another within a city;

(2) interferes unlawfully with a monument, sign, or pointer erected or marked to designate a point of a boundary, line or a political subdivision, or of a tract of land;

(3) trespasses on the premises of another and, without claim of right, refuses to depart from the premises on demand of the lawful possessor;

(4) occupies or enters the dwelling or locked or posted building of another, without claim of right or consent of the owner or the consent of one who has the right to give consent, except in an emergency situation;

(5) enters the premises of another with intent to take or injure any fruit, fruit trees, or vegetables growing on the premises, without the permission of the owner or occupant;

(6) enters or is found on the premises of a public or private cemetery without authorization during hours the cemetery is posted as closed to the public;

(7) returns to the property of another with the intent to abuse, disturb, or cause distress in or threaten another, after being told to leave the property and not to return, if the actor is without claim of right to the property or consent of one with authority to consent;

(8) returns to the property of another within one year after being told to leave the property and not to return, if the actor is without claim of right to the property or consent of one with authority to consent;

(9) enters the locked or posted construction site of another without the consent of the owner or lawful possessor, unless the person is a business licensee; ~~or~~

(10) enters the locked or posted aggregate mining site of another without the consent of the owner or lawful possessor, unless the person is a business licensee; ~~or~~

(11) crosses into or enters any public or private area lawfully cordoned off by or at the direction of a peace officer engaged in the performance of official duties. As used in this clause: (i) an area may be "cordoned off" through the use of tape, barriers, or other means conspicuously placed and identifying the area as being restricted by the police; and (ii) "peace officer" has the meaning given in section 626.84, subdivision 1. It is an affirmative defense to a charge under this clause that a peace officer permitted entry into the restricted area.

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to crimes committed on or after that date.

Sec. 13. Minnesota Statutes 2008, section 626.843, subdivision 1, is amended to read:

Subdivision 1. **Rules required.** The board shall adopt rules with respect to:

(1) the certification of ~~peace officer training schools, programs, or courses including training schools for the Minnesota State Patrol. Such schools, programs and courses shall include those administered by the state, county, school district, municipality, or joint or contractual combinations thereof, and shall include preparatory instruction in law enforcement and minimum basic training courses~~ postsecondary schools to provide programs of professional peace officer education;

(2) minimum courses of study, ~~attendance requirements,~~ and equipment and facilities to be required at each certified ~~peace officers training~~ school ~~located~~ within the state;

(3) minimum qualifications for coordinators and instructors at certified peace officer training schools offering a program of professional peace officer education located within this state;

(4) minimum standards of physical, mental, and educational fitness which shall govern the ~~recruitment~~ admission to professional peace officer education programs and the licensing of peace officers within the state, by any state, county, municipality, or joint or contractual combination thereof, including members of the Minnesota State Patrol;

(5) board-approved continuing education courses that ensure professional competence of peace officers and part-time peace officers;

(6) minimum standards of conduct which would affect the individual's performance of duties as a peace officer. These standards shall be established and published. The board shall review the minimum standards of conduct described in this clause for possible modification in 1998 and every three years after that time;

~~(6) minimum basic training which peace officers appointed to temporary or probationary terms shall complete before being eligible for permanent appointment, and the time within which such basic training must be completed following any such appointment to a temporary or probationary term;~~

~~(7) minimum specialized training which part time peace officers shall complete in order to be eligible for continued employment as a part time peace officer or permanent employment as a peace officer, and the time within which the specialized training must be completed;~~

~~(8) content of minimum basic training courses required of graduates of certified law enforcement training schools or programs. Such courses shall not duplicate the content of certified academic or general background courses completed by a student but shall concentrate on practical skills deemed essential for a peace officer. Successful completion of such a course~~ (7) a set of educational learning objectives that must be met within a certified school's professional peace officer education program. These learning objectives must concentrate on the knowledge, skills, and abilities deemed essential for a peace officer. Education in these learning objectives shall be deemed ~~satisfaction~~ satisfactory for the completion of the minimum basic training requirement;

~~(9) grading, reporting, attendance and other records, and certificates of attendance or accomplishment;~~

~~(10) the procedures to be followed by a part time peace officer for notifying the board of intent to pursue the specialized training for part time peace officers who desire to become peace officers pursuant to clause (7), and section 626.845, subdivision 1, clause (7);~~

~~(11) (8) the establishment and use by any political subdivision or state law enforcement agency which that employs persons licensed by the board of procedures for investigation and resolution of allegations of misconduct by persons licensed by the board. The procedures shall be in writing and shall be established on or before October 1, 1984;~~

~~(12) (9) the issues that must be considered by each political subdivision and state law enforcement agency that employs persons licensed by the board in establishing procedures under section 626.5532 to govern the conduct of peace officers who are in pursuit of a vehicle being operated in violation of section 609.487, and requirements for the training of peace officers in conducting pursuits. The adoption of specific procedures and requirements is within the authority of the political subdivision or agency;~~

~~(13) (10) supervision of part-time peace officers and requirements for documentation of hours worked by a part-time peace officer who is on active duty. These rules shall be adopted by December 31, 1993;~~

~~(14) (11) citizenship requirements for ~~full-time~~ peace officers and part-time peace officers;~~

~~(15) (12) driver's license requirements for ~~full-time~~ peace officers and part-time peace officers; and~~

~~(16) (13) such other matters as may be necessary consistent with sections 626.84 to 626.863. Rules promulgated by the attorney general with respect to these matters may be continued in force by resolution of the board if the board finds the rules to be consistent with sections 626.84 to 626.863.~~

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 14. Minnesota Statutes 2008, section 626.843, subdivision 3, is amended to read:

Subd. 3. **Board authority.** The board may, in addition:

(1) recommend studies, surveys, and reports to be made by the executive director regarding the carrying out of the objectives and purposes of sections 626.841 to 626.863;

(2) visit and inspect any ~~peace officer training certified school approved by the executive director that offers the~~ professional peace officer education program or for which application for ~~such approval~~ certification has been made;

(3) make recommendations, from time to time, to the executive director, attorney general, and the governor regarding the carrying out of the objectives and purposes of sections 626.841 to 626.863;

(4) perform such other acts as may be necessary or appropriate to carry out the powers and duties of the board ~~as set forth in~~ under sections 626.841 to 626.863; and

(5) cooperate with and receive financial assistance from and join in projects or enter into contracts with the federal government or its agencies for the furtherance of the purposes of Laws 1977, chapter 433.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 15. Minnesota Statutes 2008, section 626.845, subdivision 1, is amended to read:

Subdivision 1. **Powers and duties.** The board shall have the following powers and duties:

(1) to certify ~~peace officers' training schools or programs administered by state, county and municipalities located within this state in whole or in part no later than 90 days after receipt of an application for certification. The reasons for noncertification of any school or program or part thereof shall be transmitted to the school within 90 days and shall contain a detailed explanation of the reasons for which the school or program was disapproved and an explanation of what supporting material or other requirements are necessary for the board to reconsider. Disapproval of a school or program shall not preclude the reapplication for certification of the school or program~~ postsecondary schools to provide programs of professional peace officer education based on a set of board-approved professional peace officer education learning objectives;

(2) to issue certificates to postsecondary schools, and to revoke ~~such~~ certification when necessary to maintain the objectives and purposes of sections 626.841 to 626.863;

(3) to certify, as qualified, ~~instructors at peace officer training schools, and to issue appropriate certificates to such instructors;~~

(4) ~~(3)~~ to license peace officers who have ~~satisfactorily completed certified basic training programs, met the education and experience requirements and passed examinations as required by the board;~~

(4) to develop and administer licensing examinations based on the board's learning objectives;

(5) ~~to cause studies and surveys to be made relating to the establishment, operation, and approval of state, county, and municipal peace officer training schools;~~

(6) ~~(5)~~ to consult and cooperate with ~~state, county, and municipal peace officer training schools~~ continuing education providers for the development of in-service training programs for peace officers;

~~(7) (6) to consult and cooperate with universities, colleges, and technical colleges postsecondary schools for the development of specialized courses of instruction and study in the state for peace officers and part-time peace officers in police science and police administration and improvement of professional peace officer education;~~

~~(8) (7) to consult and cooperate with other departments and agencies of the state and federal government concerned with peace officer standards and training;~~

~~(9) (8) to perform such other acts as may be necessary and appropriate to carry out the powers and duties as set forth in the provisions of sections 626.841 to 626.863;~~

~~(10) to coordinate the provision, on a regional basis, of skills-oriented basic training courses to graduates of certified law enforcement training schools or programs;~~

~~(11) (9) to obtain criminal conviction data for persons seeking a license to be issued or possessing a license issued by the board. The board shall have authority to obtain criminal conviction data to the full extent that any other law enforcement agency, as that term is defined by state or federal law, has to obtain the data;~~

~~(12) (10) to prepare and transmit annually to the governor a report of its activities with respect to allocation of moneys money appropriated to it for peace officers training, including the name and address of each recipient of money for that purpose, and the amount awarded, and the purpose of the award; and~~

~~(13) (11) to assist and cooperate with any political subdivision or state law enforcement agency which that employs persons licensed by the board to establish written procedures for the investigation and resolution of allegations of misconduct of policies as mandated by the state pertaining to persons licensed by the board, and to enforce licensing sanctions for failure to implement such procedures these policies.~~

In addition, the board may maintain data received from law enforcement agencies under section 626.87, subdivision 5, provide the data to requesting law enforcement agencies who are conducting background investigations, and maintain data on applicants and licensees as part of peace officer license data. The data that may be maintained include the name of the law enforcement agency conducting the investigation and data on the candidate provided under section 626.87, subdivision 5, clauses (1) and (2).

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 16. Minnesota Statutes 2008, section 626.863, is amended to read:

626.863 UNAUTHORIZED PRACTICE.

(a) A person who is not a peace officer or part-time peace officer is guilty of a misdemeanor if the person: (1) makes a representation of being a peace officer or part-time peace officer, or (2) performs or attempts to perform an act, duty, or responsibility reserved by law for licensed peace officers and part-time peace officers.

(b) A peace officer who authorizes or knowingly allows a person to violate paragraph (a) is guilty of a misdemeanor.

(c) The board shall designate the appropriate law enforcement agency to investigate violations of this section. The attorney general shall prosecute violations of this section.

(d) A person who violates this section and who has previously been convicted of a violation of this section is guilty of a gross misdemeanor.

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to crimes committed on or after that date.

Sec. 17. **STATE BOARD OF PHARMACY; REPORT TO THE LEGISLATURE.**

As part of the 2009 report to the legislature mandated by Minnesota Statutes, section 152.02, subdivision 12, the state Board of Pharmacy shall specify all instances where the controlled substance schedules contained in Minnesota Rules, parts 6800.4210 to 6800.4250, differ from the controlled substance schedules contained in Minnesota Statutes, section 152.02, subdivisions 2 to 6.

EFFECTIVE DATE. This section is effective August 1, 2009.

ARTICLE 6

EMERGENCY COMMUNICATIONS

Section 1. Minnesota Statutes 2008, section 13.87, subdivision 1, is amended to read:

Subdivision 1. **Criminal history data.** (a) **Definition.** For purposes of this subdivision, "criminal history data" means all data maintained in criminal history records compiled by the Bureau of Criminal Apprehension ~~and disseminated through the criminal justice information system,~~ including, but not limited to fingerprints, photographs, identification data, arrest data, prosecution data, criminal court data, custody and supervision data.

(b) **Classification.** Criminal history data maintained by agencies, political subdivisions and statewide systems are classified as private, pursuant to section 13.02, subdivision 12, except that data created, collected, or maintained by the Bureau of Criminal Apprehension that identify an individual who was convicted of a crime, the offense of which the individual was convicted, associated court disposition and sentence information, controlling agency, and confinement information are public data for 15 years following the discharge of the sentence imposed for the offense. If an individual's name or other identifying information is erroneously associated with a criminal history and a determination is made through a fingerprint verification that the individual is not the subject of the criminal history, the name or other identifying information must be redacted from the public criminal history data. The name and other identifying information must be retained in the criminal history and are classified as private data.

The Bureau of Criminal Apprehension shall provide to the public at the central office of the bureau the ability to inspect in person, at no charge, through a computer monitor the criminal conviction data classified as public under this subdivision.

(c) **Limitation.** Nothing in paragraph (a) or (b) shall limit public access to data made public by section 13.82.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 2. Minnesota Statutes 2008, section 122A.18, subdivision 8, is amended to read:

Subd. 8. **Background checks.** (a) The Board of Teaching and the commissioner of education must request a criminal history background check from the superintendent of the Bureau of Criminal Apprehension on all applicants for initial licenses under their jurisdiction. An application for a license under this section must be accompanied by:

(1) an executed criminal history consent form, including fingerprints; and

(2) a money order or cashier's check payable to the Bureau of Criminal Apprehension for the fee for conducting the criminal history background check.

(b) The superintendent of the Bureau of Criminal Apprehension shall perform the background check required under paragraph (a) by retrieving criminal history data ~~maintained in the criminal justice information system computers as defined in section 13.87~~ and shall also conduct a search of the national criminal records repository, ~~including the criminal justice data communications network~~. The superintendent is authorized to exchange fingerprints with the Federal Bureau of Investigation for purposes of the criminal history check. The superintendent shall recover the cost to the bureau of a background check through the fee charged to the applicant under paragraph (a).

(c) The Board of Teaching or the commissioner of education may issue a license pending completion of a background check under this subdivision, but must notify the individual that the individual's license may be revoked based on the result of the background check.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 3. Minnesota Statutes 2008, section 123B.03, subdivision 1, is amended to read:

Subdivision 1. **Background check required.** (a) A school hiring authority shall request a criminal history background check from the superintendent of the Bureau of Criminal Apprehension on all individuals who are offered employment in a school and on all individuals, except enrolled student volunteers, who are offered the opportunity to provide athletic coaching services or other extracurricular academic coaching services to a school, regardless of whether any compensation is paid. In order for an individual to be eligible for employment or to provide the services, the individual must provide an executed criminal history consent form and a money order or check payable to either the Bureau of Criminal Apprehension or the school hiring authority, at the discretion of the school hiring authority, in an amount equal to the actual cost to the Bureau of Criminal Apprehension and the school district of conducting the criminal history background check. A school hiring authority deciding to receive payment may, at its discretion, accept payment in the form of a negotiable instrument other than a money order or check and shall pay the superintendent of the Bureau of Criminal Apprehension directly to conduct the background check. The superintendent of the Bureau of Criminal Apprehension shall conduct the background check by retrieving criminal history data ~~maintained in the criminal justice information system computers as defined in section 13.87~~. A school hiring authority, at its discretion, may decide not to request a criminal history background check on an individual who holds an initial entrance license issued by the State Board of Teaching or the commissioner of education within the 12 months preceding an offer of employment.

(b) A school hiring authority may use the results of a criminal background check conducted at the request of another school hiring authority if:

(1) the results of the criminal background check are on file with the other school hiring authority or otherwise accessible;

(2) the other school hiring authority conducted a criminal background check within the previous 12 months;

(3) the individual who is the subject of the criminal background check executes a written consent form giving a school hiring authority access to the results of the check; and

(4) there is no reason to believe that the individual has committed an act subsequent to the check that would disqualify the individual for employment.

(c) A school hiring authority may, at its discretion, request a criminal history background check from the superintendent of the Bureau of Criminal Apprehension on any individual who seeks to enter a school or its grounds for the purpose of serving as a school volunteer or working as an independent contractor or student employee. In order for an individual to enter a school or its grounds under this paragraph when the school hiring authority decides

to request a criminal history background check on the individual, the individual first must provide an executed criminal history consent form and a money order, check, or other negotiable instrument payable to the school district in an amount equal to the actual cost to the Bureau of Criminal Apprehension and the school district of conducting the criminal history background check. Notwithstanding section 299C.62, subdivision 1, the cost of the criminal history background check under this paragraph is the responsibility of the individual.

(d) For all nonstate residents who are offered employment in a school, a school hiring authority shall request a criminal history background check on such individuals from the superintendent of the Bureau of Criminal Apprehension and from the government agency performing the same function in the resident state or, if no government entity performs the same function in the resident state, from the Federal Bureau of Investigation. Such individuals must provide an executed criminal history consent form and a money order, check, or other negotiable instrument payable to the school hiring authority in an amount equal to the actual cost to the government agencies and the school district of conducting the criminal history background check. Notwithstanding section 299C.62, subdivision 1, the cost of the criminal history background check under this paragraph is the responsibility of the individual.

(e) At the beginning of each school year or when a student enrolls, a school hiring authority must notify parents and guardians about the school hiring authority's policy requiring a criminal history background check on employees and other individuals who provide services to the school, and identify those positions subject to a background check and the extent of the hiring authority's discretion in requiring a background check. The school hiring authority may include the notice in the student handbook, a school policy guide, or other similar communication. Nothing in this paragraph affects a school hiring authority's ability to request a criminal history background check on an individual under paragraph (c).

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 4. Minnesota Statutes 2008, section 246.13, subdivision 2, is amended to read:

Subd. 2. **Definitions; risk assessment and management.** (a) As used in this section:

(1) "appropriate and necessary medical and other records" includes patient medical records and other protected health information as defined by Code of Federal Regulations, title 45, section 164.501, relating to a patient in a state-operated services facility including, but not limited to, the patient's treatment plan and abuse prevention plan that is pertinent to the patient's ongoing care, treatment, or placement in a community-based treatment facility or a health care facility that is not operated by state-operated services, and includes information describing the level of risk posed by a patient when the patient enters the facility;

(2) "community-based treatment" means the community support services listed in section 253B.02, subdivision 4b;

(3) "criminal history data" means those data maintained or used by the Departments of Corrections and Public Safety and by the supervisory authorities listed in section 13.84, subdivision 1, that relate to an individual's criminal history or propensity for violence, including data in the Corrections Offender Management System (COMS) and Statewide Supervision System (S3) maintained by the Department of Corrections; ~~the Criminal Justice Information System (CJIS)~~ criminal history data as defined in section 13.87, integrated search service as defined in section 13.873, and the Predatory Offender Registration (POR) system maintained by the Department of Public Safety; ~~and the CrIMNet system;~~

(4) "designated agency" means the agency defined in section 253B.02, subdivision 5;

(5) "law enforcement agency" means the law enforcement agency having primary jurisdiction over the location where the offender expects to reside upon release;

(6) "predatory offender" and "offender" mean a person who is required to register as a predatory offender under section 243.166; and

(7) "treatment facility" means a facility as defined in section 253B.02, subdivision 19.

(b) To promote public safety and for the purposes and subject to the requirements of this paragraph, the commissioner or the commissioner's designee shall have access to, and may review and disclose, medical and criminal history data as provided by this section, as necessary to comply with Minnesota Rules, part 1205.0400:

(1) to determine whether a patient is required under state law to register as a predatory offender according to section 243.166;

(2) to facilitate and expedite the responsibilities of the special review board and end-of-confinement review committees by corrections institutions and state treatment facilities;

(3) to prepare, amend, or revise the abuse prevention plans required under section 626.557, subdivision 14, and individual patient treatment plans required under section 253B.03, subdivision 7;

(4) to facilitate the custody, supervision, and transport of individuals transferred between the Department of Corrections and the Department of Human Services; or

(5) to effectively monitor and supervise individuals who are under the authority of the Department of Corrections, the Department of Human Services, and the supervisory authorities listed in section 13.84, subdivision 1.

(c) The state-operated services treatment facility must make a good faith effort to obtain written authorization from the patient before releasing information from the patient's medical record.

(d) If the patient refuses or is unable to give informed consent to authorize the release of information required above, the chief executive officer for state-operated services shall provide the appropriate and necessary medical and other records. The chief executive officer shall comply with the minimum necessary requirements.

(e) The commissioner may have access to the National Crime Information Center (NCIC) database, through the Department of Public Safety, in support of the law enforcement functions described in paragraph (b).

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 5. Minnesota Statutes 2008, section 253B.141, subdivision 1, is amended to read:

Subdivision 1. **Report of absence.** (a) If a patient committed under this chapter or detained under a judicial hold is absent without authorization, and either: (1) does not return voluntarily within 72 hours of the time the unauthorized absence began; or (2) is considered by the head of the treatment facility to be a danger to self or others, then the head of the treatment facility shall report the absence to the local law enforcement agency. The head of the treatment facility shall also notify the committing court that the patient is absent and that the absence has been reported to the local law enforcement agency. The committing court may issue an order directing the law enforcement agency to transport the patient to an appropriate facility.

(b) Upon receiving a report that a patient subject to this section is absent without authorization, the local law enforcement agency shall enter information on the patient ~~through the criminal justice information system~~ into the missing persons file of the National Crime Information Center computer according to the missing persons practices.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 6. Minnesota Statutes 2008, section 299C.115, is amended to read:

299C.115 WARRANT INFORMATION PROVIDED TO STATE.

(a) By January 1, 1996, every county shall, in the manner provided in either clause (1) or (2), make warrant information available to other users of the ~~Minnesota criminal justice information system~~ criminal justice data communications network as defined in section 299C.46:

(1) the county shall enter the warrant information in the warrant file ~~of the Minnesota criminal justice information system~~ maintained by the Bureau of Criminal Apprehension in the Department of Public Safety; or

(2) the county, at no charge to the state, shall make the warrant information that is maintained in the county's computer accessible by means of a single query ~~to the Minnesota criminal justice information system~~ made through the Bureau of Criminal Apprehension in the Department of Public Safety.

(b) As used in this section, "warrant information" means information on all outstanding felony, gross misdemeanor, and misdemeanor warrants for adults and juveniles that are issued within the county.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 7. Minnesota Statutes 2008, section 299C.40, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "CIBRS" means the Comprehensive Incident-Based Reporting System, located in the Department of Public Safety and managed by the Bureau of Criminal Apprehension, ~~Criminal Justice Information Systems Section.~~ A reference in this section to "CIBRS" includes the Bureau of Criminal Apprehension.

(c) "Law enforcement agency" means a Minnesota municipal police department, the Metropolitan Transit Police, the Metropolitan Airports Police, the University of Minnesota Police Department, the Department of Corrections Fugitive Apprehension Unit, a Minnesota county sheriff's department, the Bureau of Criminal Apprehension, or the Minnesota State Patrol.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 8. Minnesota Statutes 2008, section 299C.46, subdivision 1, is amended to read:

Subdivision 1. **Establishment; interconnection.** The commissioner of public safety shall establish a criminal justice data communications network which will enable the interconnection of the criminal justice agencies within the state ~~into a unified criminal justice information system.~~ The commissioner of public safety is authorized to lease or purchase facilities and equipment as may be necessary to establish and maintain the data communications network.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 9. Minnesota Statutes 2008, section 299C.52, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** As used in sections 299C.52 to 299C.56, the following terms have the meanings given them:

(a) "Child" means any person under the age of 18 years or any person certified or known to be mentally incompetent.

~~(b) "CJIS" means Minnesota criminal justice information system.~~

~~(c)~~ (b) "Missing" means the status of a child after a law enforcement agency that has received a report of a missing child has conducted a preliminary investigation and determined that the child cannot be located.

~~(d)~~ (c) "NCIC" means National Crime Information Center.

~~(e)~~ (d) "Endangered" means that a law enforcement official has received sufficient evidence that the child is with a person who presents a threat of immediate physical injury to the child or physical or sexual abuse of the child.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 10. Minnesota Statutes 2008, section 299C.52, subdivision 3, is amended to read:

Subd. 3. **Computer equipment and programs.** The commissioner shall provide the necessary computer hardware and computer programs to enter, modify, and cancel information on missing children in the NCIC computer ~~through the CJIS~~. These programs must provide for search and retrieval of information using the following identifiers: physical description, name and date of birth, name and Social Security number, name and driver's license number, vehicle license number, and vehicle identification number. The commissioner shall also provide a system for regional, statewide, multistate, and nationwide broadcasts of information on missing children. These broadcasts shall be made by local law enforcement agencies where possible or, in the case of statewide or nationwide broadcasts, by the Bureau of Criminal Apprehension upon request of the local law enforcement agency.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 11. Minnesota Statutes 2008, section 299C.52, subdivision 4, is amended to read:

Subd. 4. **Authority to enter or retrieve information.** Only law enforcement agencies may enter missing child information ~~through the CJIS~~ into the NCIC computer or retrieve information ~~through the CJIS~~ from the NCIC computer.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 12. Minnesota Statutes 2008, section 299C.53, subdivision 1, is amended to read:

Subdivision 1. **Investigation and entry of information.** Upon receiving a report of a child believed to be missing, a law enforcement agency shall conduct a preliminary investigation to determine whether the child is missing. If the child is initially determined to be missing and endangered, the agency shall immediately consult the Bureau of Criminal Apprehension during the preliminary investigation, in recognition of the fact that the first two hours are critical. If the child is determined to be missing, the agency shall immediately enter identifying and descriptive information about the child ~~through the CJIS~~ into the NCIC computer. Law enforcement agencies having direct access to ~~the CJIS~~ and the NCIC computer shall enter and retrieve the data directly and shall cooperate in the entry and retrieval of data on behalf of law enforcement agencies which do not have direct access to the systems.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 13. Minnesota Statutes 2008, section 299C.62, subdivision 1, is amended to read:

Subdivision 1. **Generally.** The superintendent shall develop procedures to enable a children's service provider to request a background check to determine whether a children's service worker is the subject of any reported conviction for a background check crime. The superintendent shall perform the background check by retrieving and reviewing data on background check crimes ~~maintained in the CJIS computers~~. The superintendent is authorized to exchange fingerprints with the Federal Bureau of Investigation for purposes of a criminal history check. The superintendent shall recover the cost of a background check through a fee charged the children's service provider.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 14. Minnesota Statutes 2008, section 299C.65, subdivision 1, is amended to read:

Subdivision 1. **Membership, duties.** (a) The Criminal and Juvenile Justice Information Policy Group consists of the commissioner of corrections, the commissioner of public safety, the state chief information officer, the commissioner of finance, four members of the judicial branch appointed by the chief justice of the Supreme Court, and the chair and first vice-chair of the Criminal and Juvenile Justice Information Task Force. The policy group may appoint additional, nonvoting members as necessary from time to time.

(b) The commissioner of public safety is designated as the chair of the policy group. The commissioner and the policy group have overall responsibility for the ~~successful completion~~ integration of statewide criminal justice information ~~system integration (CriMNet) systems~~. This integration effort shall be known as CriMNet. The policy group may hire an executive director to manage the CriMNet projects and to be responsible for the day-to-day operations of CriMNet. The executive director shall serve at the pleasure of the policy group in unclassified service. The policy group must ensure that generally accepted project management techniques are utilized for each CriMNet project, including:

- (1) clear sponsorship;
- (2) scope management;
- (3) project planning, control, and execution;
- (4) continuous risk assessment and mitigation;
- (5) cost management;
- (6) quality management reviews;
- (7) communications management;
- (8) proven methodology; and
- (9) education and training.

(c) Products and services for CriMNet project management, system design, implementation, and application hosting must be acquired using an appropriate procurement process, which includes:

- (1) a determination of required products and services;
- (2) a request for proposal development and identification of potential sources;

(3) competitive bid solicitation, evaluation, and selection; and

(4) contract administration and close-out.

(d) The policy group shall study and make recommendations to the governor, the Supreme Court, and the legislature on:

(1) a framework for integrated criminal justice information systems, including the development and maintenance of a community data model for state, county, and local criminal justice information;

(2) the responsibilities of each entity within the criminal and juvenile justice systems concerning the collection, maintenance, dissemination, and sharing of criminal justice information with one another;

(3) actions necessary to ensure that information maintained in the criminal justice information systems is accurate and up-to-date;

(4) the development of an information system containing criminal justice information on gross misdemeanor-level and felony-level juvenile offenders that is part of the integrated criminal justice information system framework;

(5) the development of an information system containing criminal justice information on misdemeanor arrests, prosecutions, and convictions that is part of the integrated criminal justice information system framework;

(6) comprehensive training programs and requirements for all individuals in criminal justice agencies to ensure the quality and accuracy of information in those systems;

(7) continuing education requirements for individuals in criminal justice agencies who are responsible for the collection, maintenance, dissemination, and sharing of criminal justice data;

(8) a periodic audit process to ensure the quality and accuracy of information contained in the criminal justice information systems;

(9) the equipment, training, and funding needs of the state and local agencies that participate in the criminal justice information systems;

(10) the impact of integrated criminal justice information systems on individual privacy rights;

(11) the impact of proposed legislation on the criminal justice system, including any fiscal impact, need for training, changes in information systems, and changes in processes;

(12) the collection of data on race and ethnicity in criminal justice information systems;

(13) the development of a tracking system for domestic abuse orders for protection;

(14) processes for expungement, correction of inaccurate records, destruction of records, and other matters relating to the privacy interests of individuals; and

(15) the development of a database for extended jurisdiction juvenile records and whether the records should be public or private and how long they should be retained.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 15. Minnesota Statutes 2008, section 299C.65, subdivision 5, is amended to read:

Subd. 5. **Review of funding and grant requests.** (a) The Criminal and Juvenile Justice Information Policy Group shall review the funding requests for criminal justice information systems from state, county, and municipal government agencies. The policy group shall review the requests for compatibility to statewide criminal justice information system standards. The review shall be forwarded to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over criminal justice funding and policy.

(b) The ~~CrimNet program office~~ executive director, in consultation with the Criminal and Juvenile Justice Information Task Force and with the approval of the policy group, shall create the requirements for any grant request and determine the integration priorities for the grant period. The ~~CrimNet program office~~ executive director shall also review the requests submitted for compatibility to statewide criminal justice information systems standards.

(c) The task force shall review funding requests for criminal justice information systems grants and make recommendations to the policy group. The policy group shall review the recommendations of the task force and shall make a final recommendation for criminal justice information systems grants to be made by the commissioner of public safety. Within the limits of available state appropriations and federal grants, the commissioner of public safety shall make grants for projects that have been recommended by the policy group.

(d) The policy group may approve grants only if the applicant provides an appropriate share of matching funds as determined by the policy group to help pay up to one-half of the costs of the grant request. The matching requirement must be constant for all applicants within each grant offering. The policy group shall adopt policies concerning the use of in-kind resources to satisfy the match requirement and the sources from which matching funds may be obtained. Local operational or technology staffing costs may be considered as meeting this match requirement. Each grant recipient shall certify to the policy group that it has not reduced funds from local, county, federal, or other sources which, in the absence of the grant, would have been made available to the grant recipient to improve or integrate criminal justice technology.

(e) All grant recipients shall submit to the ~~CrimNet program office~~ executive director all requested documentation including grant status, financial reports, and a final report evaluating how the grant funds improved the agency's criminal justice integration priorities. The ~~CrimNet program office~~ executive director shall establish the recipient's reporting dates at the time funds are awarded.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 16. Minnesota Statutes 2008, section 299C.68, subdivision 2, is amended to read:

Subd. 2. **Procedures.** The superintendent shall develop procedures to enable an owner to request a background check to determine whether a manager is the subject of a reported conviction for a background check crime. The superintendent shall perform the background check by retrieving and reviewing data on background check crimes ~~maintained in the CJS computers~~. The superintendent shall notify the owner in writing of the results of the background check. If the manager has resided in Minnesota for less than ten years or upon request of the owner, the superintendent shall also either: (1) conduct a search of the national criminal records repository, including the criminal justice data communications network; or (2) conduct a search of the criminal justice data communications network records in the state or states where the manager has resided for the preceding ten years. The superintendent is authorized to exchange fingerprints with the Federal Bureau of Investigation for purposes of the criminal history check. The superintendent shall recover the cost of a background check through a fee charged to the owner.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 17. Minnesota Statutes 2008, section 388.24, subdivision 4, is amended to read:

Subd. 4. **Reporting of data to ~~criminal justice information system (CJIS)~~ Bureau of Criminal Apprehension.** Effective August 1, 1997, every county attorney who establishes a diversion program under this section shall report the following information to the Bureau of Criminal Apprehension:

(1) the name and date of birth of each diversion program participant and any other identifying information the superintendent considers necessary;

(2) the date on which the individual began to participate in the diversion program;

(3) the date on which the individual is expected to complete the diversion program;

(4) the date on which the individual successfully completed the diversion program, where applicable; and

(5) the date on which the individual was removed from the diversion program for failure to successfully complete the individual's goals, where applicable.

The superintendent shall cause the information described in this subdivision to be entered into and maintained in the criminal history file of the ~~Minnesota Criminal Justice Information System~~ as defined in section 13.87.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 18. Minnesota Statutes 2008, section 401.065, subdivision 3a, is amended to read:

Subd. 3a. **Reporting of data to ~~criminal justice information system (CJIS)~~ Bureau of Criminal Apprehension.** (a) Every county attorney who establishes a diversion program under this section shall report the following information to the Bureau of Criminal Apprehension:

(1) the name and date of birth of each diversion program participant and any other identifying information the superintendent considers necessary;

(2) the date on which the individual began to participate in the diversion program;

(3) the date on which the individual is expected to complete the diversion program;

(4) the date on which the individual successfully completed the diversion program, where applicable; and

(5) the date on which the individual was removed from the diversion program for failure to successfully complete the individual's goals, where applicable.

The superintendent shall cause the information described in this subdivision to be entered into and maintained in the criminal history file of the ~~Minnesota criminal justice information system~~ as defined in section 13.87.

(b) Effective August 1, 1997, the reporting requirements of this subdivision shall apply to misdemeanor offenses.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 19. Minnesota Statutes 2008, section 403.36, is amended by adding a subdivision to read:

Subd. 1g. **State Interoperability Executive Committee.** (a) In addition to responsibilities provided for in subdivision 1e, the Statewide Radio Board is designated as Minnesota's State Interoperability Executive Committee.

(b) As Minnesota's State Interoperability Executive Committee, the Statewide Radio Board shall:

(1) develop and maintain a statewide plan for local and private public safety communications interoperability that integrates with the Minnesota emergency operation plan;

(2) develop and adopt guidelines and operational standards for local and private public safety communications interoperability within Minnesota;

(3) promote coordination and cooperation among local, state, federal, and tribal public safety agencies in addressing statewide public safety communications interoperability within Minnesota;

(4) advise the commissioner of the Department of Public Safety on public safety communications interoperability and on the allocation and use of funds made available to Minnesota to support public safety communications interoperability;

(5) to the extent permitted by federal law, Federal Communications Commission regulations, and the National Telecommunications and Information Administration, develop guidelines and standards for the efficient use of interoperability frequencies on all frequency spectrums assigned to public safety users; and

(6) to the extent permitted by federal law and treaties with Canada, develop guidelines and standards that support interoperability with adjoining states and provinces of Canada along Minnesota's northern border.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 20. Minnesota Statutes 2008, section 403.36, subdivision 2, is amended to read:

Subd. 2. **Plan contents.** (a) The statewide, shared radio and communication system project plan must include:

(1) standards, guidelines, and comprehensive design for the system, including use and integration of existing public and private communications infrastructure;

(2) proposed project implementation schedule, phases, and estimated costs for each phase of the plan;

(3) recommended statutory changes required for effective implementation and administration of the statewide, shared trunked radio and communication system; ~~and~~

(4) an interoperability committee to make recommendations on the statewide plan for local and private public safety communications interoperability and on guidelines and operational standards necessary to promote public safety communications interoperability within Minnesota; and

~~(4)~~ (5) a policy for the lease of excess space or capacity on systems constructed under the project plan, consistent with section 174.70, subdivision 2, with priority given first to local units of government for public safety communication transmission needs and second to any other communications transmission needs of either the public or private sector.

(b) The Statewide Radio Board must ensure that generally accepted project management techniques are utilized for each project or phase of the backbone of the statewide, shared radio and communication system consistent with guidelines of the Project Management Office of the Office of Enterprise Technology:

(1) clear sponsorship;

- (2) scope management;
- (3) project planning, control, and execution;
- (4) continuous risk assessment and mitigation;
- (5) cost management;
- (6) quality management reviews;
- (7) communications management; and
- (8) proven methodology.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 21. Minnesota Statutes 2008, section 480.23, is amended to read:

480.23 COMPUTER ACQUISITION BY COURTS.

In order to facilitate the effective management and coordination of the Minnesota courts system, an appropriate official of any court or of a local governmental unit in providing services to any court, if authorized by the state court administrator and with the concurrence of the contracting vendor, may acquire electronic data processing equipment or services through an existing contract originated by the Supreme Court. The state court administrator shall grant this authority only pursuant to the implementation of justice information systems compatible with systems ~~participating on the Minnesota Criminal Justice Information Systems Communications Network~~ administered by the Bureau of Criminal Apprehension in the Department of Public Safety.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 22. Minnesota Statutes 2008, section 518.165, subdivision 5, is amended to read:

Subd. 5. **Procedure, criminal history, and maltreatment records background study.** (a) When the court requests a background study under subdivision 4, paragraph (a), the request shall be submitted to the Department of Human Services through the department's electronic online background study system.

(b) When the court requests a search of the National Criminal Records Repository, the court must provide a set of classifiable fingerprints of the subject of the study on a fingerprint card provided by the commissioner of human services.

(c) The commissioner of human services shall provide the court with ~~information~~ criminal history data as defined in section 13.87 from the Bureau of Criminal ~~Apprehension's Criminal Justice Information System~~ Apprehension in the Department of Public Safety, other criminal history data held by the commissioner of human services, and data regarding substantiated maltreatment of a minor under section 626.556, and substantiated maltreatment of a vulnerable adult under section 626.557, within 15 working days of receipt of a request. If the subject of the study has been determined by the Department of Human Services or the Department of Health to be the perpetrator of substantiated maltreatment of a minor or vulnerable adult in a licensed facility, the response must include a copy of the public portion of the investigation memorandum under section 626.556, subdivision 10f, or the public portion of the investigation memorandum under section 626.557, subdivision 12b. When the background study shows that the subject has been determined by a county adult protection or child protection agency to have been responsible for maltreatment, the court shall be informed of the county, the date of the finding, and the nature

of the maltreatment that was substantiated. The commissioner shall provide the court with information from the National Criminal Records Repository within three working days of the commissioner's receipt of the data. When the commissioner finds no criminal history or substantiated maltreatment on a background study subject, the commissioner shall make these results available to the court electronically through the secure online background study system.

(d) Notwithstanding section 626.556, subdivision 10f, or 626.557, subdivision 12b, if the commissioner or county lead agency has information that a person on whom a background study was previously done under this section has been determined to be a perpetrator of maltreatment of a minor or vulnerable adult, the commissioner or the county may provide this information to the court that requested the background study.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 23. Minnesota Statutes 2008, section 524.5-118, subdivision 2, is amended to read:

Subd. 2. **Procedure; criminal history and maltreatment records background check.** (a) The court shall request the commissioner of human services to complete a background study under section 245C.32. The request must be accompanied by the applicable fee and the signed consent of the subject of the study authorizing the release of the data obtained to the court. If the court is requesting a search of the National Criminal Records Repository, the request must be accompanied by a set of classifiable fingerprints of the subject of the study. The fingerprints must be recorded on a fingerprint card provided by the commissioner of human services.

(b) The commissioner of human services shall provide the court with ~~information~~ criminal history data as defined in section 13.87 from the Bureau of Criminal ~~Apprehension's criminal justice information system~~ Apprehension in the Department of Public Safety, other criminal history data held by the commissioner of human services, and data regarding substantiated maltreatment of vulnerable adults under section 626.557 and substantiated maltreatment of minors under section 626.556 within 15 working days of receipt of a request. If the subject of the study has been the perpetrator of substantiated maltreatment of a vulnerable adult or minor, the response must include a copy of the public portion of the investigation memorandum under section 626.557, subdivision 12b, or the public portion of the investigation memorandum under section 626.556, subdivision 10f. If the court did not request a search of the National Criminal Records Repository and information from the Bureau of Criminal Apprehension indicates that the subject is a multistate offender or that multistate offender status is undetermined, the response must include this information. The commissioner shall provide the court with information from the National Criminal Records Repository within three working days of the commissioner's receipt of the data.

(c) Notwithstanding section 626.557, subdivision 12b, or 626.556, subdivision 10f, if the commissioner of human services or a county lead agency has information that a person on whom a background study was previously done under this section has been determined to be a perpetrator of maltreatment of a vulnerable adult or minor, the commissioner or the county may provide this information to the court that requested the background study. The commissioner may also provide the court with additional criminal history or substantiated maltreatment information that becomes available after the background study is done.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 24. Minnesota Statutes 2008, section 611.272, is amended to read:

611.272 ACCESS TO GOVERNMENT DATA.

The district public defender, the state public defender, or an attorney working for a public defense corporation under section 611.216 has access to the criminal justice data communications network described in section 299C.46, as provided in this section. Access to data under this section is limited to data necessary to prepare criminal cases in which the public defender has been appointed as follows:

(1) access to data about witnesses in a criminal case shall be limited to records of criminal convictions; and

(2) access to data regarding the public defender's own client which includes, but is not limited to, criminal history data under section 13.87; juvenile offender data under section 299C.095; warrant information data under section 299C.115; incarceration data under section 299C.14; conditional release data under section 241.065; and diversion program data under section 299C.46, subdivision 5.

The public defender has access to data under this section, whether accessed via ~~CrimNet~~ the integrated search service as defined in section 13.873 or other methods. The public defender does not have access to law enforcement active investigative data under section 13.82, subdivision 7; data protected under section 13.82, subdivision 17; confidential arrest warrant indices data under section 13.82, subdivision 19; or data systems maintained by a prosecuting attorney. The public defender has access to the data at no charge, except for the monthly network access charge under section 299C.46, subdivision 3, paragraph (b), and a reasonable installation charge for a terminal. Notwithstanding section 13.87, subdivision 3; 299C.46, subdivision 3, paragraph (b); 299C.48, or any other law to the contrary, there shall be no charge to public defenders for Internet access to the criminal justice data communications network.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 25. Minnesota Statutes 2008, section 628.69, subdivision 6, is amended to read:

Subd. 6. **Reporting of data to ~~criminal justice information system (CJIS)~~ Bureau of Criminal Apprehension.** Every county attorney who has established a pretrial diversion program under this section shall report the following information to the Bureau of Criminal Apprehension:

(1) the name and date of birth of each diversion program participant, and any other identifying information the superintendent considers necessary;

(2) the date on which the individual began to participate in the diversion program;

(3) the date on which the individual is expected to complete the diversion program;

(4) the date on which the individual successfully completed the diversion program, where applicable; and

(5) the date on which the individual was removed from the diversion program for failure to successfully complete the individual's goals, where applicable.

The superintendent shall cause the information described in this subdivision to be entered into and maintained in the criminal history file of the ~~Minnesota Criminal Justice Information System~~ as defined in section 13.87.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 26. **REPEALER.**

Minnesota Statutes 2008, sections 299C.61, subdivision 8; 299C.67, subdivision 3; and 403.36, subdivision 1f, are repealed.

EFFECTIVE DATE. This section is effective August 1, 2009."

Delete the title and insert:

"A bill for an act relating to public safety; providing for public safety, courts, and corrections including requirements for predatory offenders regarding registration, computer access, and electronic solicitation; crime victims of criminal sexual conduct and domestic abuse; domestic fatality review teams; public defenders eligibility for representation, appointment, and reimbursement; courts regarding judges and evidence from recording equipment in a law enforcement vehicle; driver's license reinstatement diversion pilot program; corrections regarding probation, pretrial release, and correctional officers, sentencing, and evidence-based practices for community supervision; sentencing guidelines; emergency response team; controlled substances; financial crimes; unsafe recalled toys; animal fighting; public employer consideration of criminal records in hiring; peace officer and public safety dispatcher employment; assault on public utility workers; trespass in police cordoned-off areas; peace officer education; communications regarding criminal history, background checks, warrant information, CIBRS data, criminal justice data, and Statewide Radio Board; providing for boards, task forces, and programs; providing for reports; providing for penalties; amending Minnesota Statutes 2008, sections 12.03, by adding a subdivision; 13.87, subdivision 1; 122A.18, subdivision 8; 123B.03, subdivision 1; 152.02, subdivisions 6, 12; 243.166, subdivisions 1a, 4, 4b, 6; 244.05, subdivision 6; 246.13, subdivision 2; 253B.141, subdivision 1; 299A.681; 299C.115; 299C.40, subdivisions 1, 2; 299C.46, subdivision 1; 299C.52, subdivisions 1, 3, 4; 299C.53, subdivision 1; 299C.62, subdivision 1; 299C.65, subdivisions 1, 5; 299C.68, subdivision 2; 343.31, subdivision 1; 357.021, subdivision 6; 388.24, subdivision 4; 401.025, subdivision 1; 401.065, subdivision 3a; 403.36, subdivision 2, by adding a subdivision; 471.59, by adding subdivisions; 480.23; 484.91, subdivision 1; 491A.03, subdivision 1; 518.165, subdivision 5; 524.5-118, subdivision 2; 609.131, subdivision 1; 609.2231, by adding a subdivision; 609.2232; 609.352, subdivision 2a; 609.605, subdivision 1; 611.17; 611.18; 611.20, subdivision 3; 611.21; 611.272; 611A.0315, subdivision 1; 626.843, subdivisions 1, 3; 626.845, subdivision 1; 626.863; 628.69, subdivision 6; 629.34, subdivision 1; 629.341, subdivision 1; Laws 1999, chapter 216, article 2, section 27, subdivisions 1, as amended, 3c, as added, 4; proposing coding for new law in Minnesota Statutes, chapters 12; 244; 260B; 325F; 364; 634; repealing Minnesota Statutes 2008, sections 260B.199, subdivision 2; 260B.201, subdivision 3; 299C.61, subdivision 8; 299C.67, subdivision 3; 383B.65, subdivision 2; 403.36, subdivision 1f; Laws 2002, chapter 266, section 1, as amended."

With the recommendation that when so amended the bill pass.

The report was adopted.

Hilstrom from the Committee on Public Safety Policy and Oversight to which was referred:

H. F. No. 1305, A bill for an act relating to impaired driving; eliminating the pretrial application of certain civil sanctions for impaired driving, including administrative license revocation, vehicle license plate impoundment, and vehicle forfeiture; restructuring postconviction driver's license revocation periods, including work permits, restricted driver's licenses, and B-cards; authorizing a payable fine for misdemeanor impaired driving offenses; establishing requirements for abstinence and rehabilitation for multiple repeat impaired driving offenders; specifying rules governing the introduction at trial of computer source code; amending Minnesota Statutes 2008, sections 84.91; 86B.331; 169A.20, subdivision 2; 169A.44, subdivision 2; 169A.45, by adding a subdivision; 169A.47; 169A.50; 169A.52; 169A.54, subdivisions 1, 10; 169A.55; 169A.60; 169A.63; 169A.75; 171.30; 609.101, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 169A; repealing Minnesota Statutes 2008, sections 169A.276, subdivision 3; 169A.53; 171.165, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

REPEALING PRETRIAL SANCTIONS FOR IMPAIRED DRIVING

Section 1. Minnesota Statutes 2008, section 84.91, is amended to read:

84.91 OPERATION OF SNOWMOBILES AND ALL-TERRAIN VEHICLES BY PERSONS UNDER THE INFLUENCE OF ALCOHOL OR CONTROLLED SUBSTANCES.

Subdivision 1. **Acts prohibited.** (a) No owner or other person having charge or control of any snowmobile or all-terrain vehicle shall authorize or permit any individual the person knows or has reason to believe is under the influence of alcohol or a controlled substance or other substance to operate the snowmobile or all-terrain vehicle anywhere in this state or on the ice of any boundary water of this state.

(b) No owner or other person having charge or control of any snowmobile or all-terrain vehicle shall knowingly authorize or permit any person, who by reason of any physical or mental disability is incapable of operating the vehicle, to operate the snowmobile or all-terrain vehicle anywhere in this state or on the ice of any boundary water of this state.

(c) A person who operates or is in physical control of a snowmobile or all-terrain vehicle anywhere in this state or on the ice of any boundary water of this state is subject to chapter 169A. In addition to the applicable sanctions and penalties under chapter 169A, a person who is convicted of violating section 169A.20, driving while impaired, or an ordinance in conformity with it while operating a snowmobile or all-terrain vehicle, or who refuses to comply with a lawful request to submit to testing under sections 169A.50 to ~~169A.53~~ 169A.52, implied consent law, or an ordinance in conformity with it, shall be prohibited from operating the snowmobile or all-terrain vehicle for a period of one year. The commissioner shall notify the person of the time period during which the person is prohibited from operating a snowmobile or all-terrain vehicle.

(d) Administrative and judicial review of the operating privileges prohibition is governed by section 97B.066, subdivisions 7 to 9, ~~if the person does not have a prior impaired driving conviction or prior license revocation, as defined in section 169A.03. Otherwise, administrative and judicial review of the prohibition is governed by section 169A.53.~~

(e) The court shall promptly forward to the commissioner and the Department of Public Safety copies of all convictions and criminal and civil sanctions imposed under this section and chapters 169 and 169A relating to snowmobiles and all-terrain vehicles.

(f) A person who violates paragraph (a) or (b), or an ordinance in conformity with either of them, is guilty of a misdemeanor. A person who operates a snowmobile or all-terrain vehicle during the time period the person is prohibited from operating a vehicle under paragraph (c) is guilty of a misdemeanor.

Sec. 2. Minnesota Statutes 2008, section 86B.331, is amended to read:

86B.331 OPERATION WHILE USING ALCOHOL OR DRUGS OR WITH A PHYSICAL OR MENTAL DISABILITY.

Subdivision 1. **Acts prohibited.** (a) An owner or other person having charge or control of a motorboat may not authorize or allow an individual the person knows or has reason to believe is under the influence of alcohol or a controlled or other substance to operate the motorboat in operation on the waters of this state.

(b) An owner or other person having charge or control of a motorboat may not knowingly authorize or allow a person, who by reason of a physical or mental disability is incapable of operating the motorboat, to operate the motorboat in operation on the waters of this state.

(c) A person who operates or is in physical control of a motorboat on the waters of this state is subject to chapter 169A. In addition to the applicable sanctions under chapter 169A, a person who is convicted of violating section 169A.20, driving while impaired, or an ordinance in conformity with it while operating a motorboat, shall be prohibited from operating the motorboat on the waters of this state for a period of 90 days between May 1 and October 31, extending over two consecutive years if necessary. If the person operating the motorboat refuses to comply with a lawful demand to submit to testing under sections 169A.50 to ~~169A.53~~ 169A.52, implied consent law, or an ordinance in conformity with it, the person shall be prohibited from operating the motorboat for a period of one year. The commissioner shall notify the person of the period during which the person is prohibited from operating a motorboat.

(d) Administrative and judicial review of the operating privileges prohibition is governed by section 97B.066, subdivisions 7 to 9, ~~if the person does not have a prior impaired driving conviction or prior license revocation, as defined in section 169A.03. Otherwise, administrative and judicial review of the prohibition is governed by section 169A.53.~~

(e) The court shall promptly forward to the commissioner and the Department of Public Safety copies of all convictions and criminal and civil sanctions imposed under this section and chapters 169 and 169A relating to motorboats.

(f) A person who violates paragraph (a) or (b), or an ordinance in conformity with either of them, is guilty of a misdemeanor.

(g) For purposes of this subdivision, a motorboat "in operation" does not include a motorboat that is anchored, beached, or securely fastened to a dock or other permanent mooring, or a motorboat that is being rowed or propelled by other than mechanical means.

Sec. 3. Minnesota Statutes 2008, section 169.13, is amended by adding a subdivision to read:

Subd. 4. **Revocation; alcohol related incidents.** A person who was arrested for an offense listed in section 169A.20 and is convicted of a violation of this section based on the same set of circumstances is subject to driver's license revocation as described in section 169A.54, subdivision 1a.

Sec. 4. Minnesota Statutes 2008, section 169A.20, subdivision 2, is amended to read:

Subd. 2. **Refusal to submit to chemical test crime.** It is a crime for any person to refuse to submit to a chemical test of the person's blood, breath, or urine under section 169A.51 (~~chemical tests for intoxication~~), or 169A.52 (~~test refusal or failure; revocation of license~~).

Sec. 5. Minnesota Statutes 2008, section 169A.44, subdivision 2, is amended to read:

Subd. 2. **Felony violations.** (a) A person charged with violating section 169A.20 within ten years of the first of three or more qualified prior impaired driving incidents may be released from detention only if the following conditions are imposed:

(1) the conditions described in subdivision 1, paragraph (b), if applicable;

~~(2) the impoundment of the registration plates of the vehicle used to commit the violation, unless already impounded;~~

~~(3) if the vehicle used to commit the violation was an off road recreational vehicle or a motorboat, the impoundment of the off road recreational vehicle or motorboat;~~

~~(4)~~ (2) a requirement that the person report weekly to a probation agent;

~~(5)~~ (3) a requirement that the person abstain from consumption of alcohol and controlled substances and submit to random alcohol tests or urine analyses at least weekly;

~~(6)~~ (4) a requirement that, if convicted, the person reimburse the court or county for the total cost of these services; and

~~(7)~~ (5) any other conditions of release ordered by the court.

(b) In addition to setting forth conditions of release under paragraph (a), if required by court rule, the court shall also fix the amount of money bail without other conditions upon which the defendant may obtain release.

Sec. 6. Minnesota Statutes 2008, section 169A.47, is amended to read:

169A.47 NOTICE OF ENHANCED PENALTY.

When a court sentences a person for a violation of sections 169A.20 to 169A.31 ~~(impaired driving offenses)~~, it shall inform the defendant of the statutory provisions that provide for enhancement of criminal penalties for repeat violators, and the provisions that provide for ~~administrative license~~ license plate impoundment and forfeiture of motor vehicles used to commit an impaired driving offense. The notice must describe the conduct and the time periods within which the conduct must occur in order to result in increased penalties, license plate impoundment, or forfeiture. The failure of a court to provide this information to a defendant does not affect the future applicability of these enhanced penalties to that defendant.

Sec. 7. Minnesota Statutes 2008, section 169A.50, is amended to read:

169A.50 CITATION.

Sections 169A.50 to ~~169A.53~~ 169A.52 may be cited as the Implied Consent Law.

Sec. 8. Minnesota Statutes 2008, section 169A.52, is amended to read:

169A.52 TEST REFUSAL OR FAILURE; ~~LICENSE REVOCATION.~~

Subdivision 1. **Test refusal.** If a person refuses to permit a test, then a test must not be given, but the peace officer shall report the refusal to ~~the commissioner and~~ the authority having responsibility for prosecution of impaired driving offenses for the jurisdiction in which the acts occurred. However, if a peace officer has probable cause to believe that the person has violated section 609.21 ~~(criminal vehicular homicide and injury)~~, a test may be required and obtained despite the person's refusal. A refusal to submit to an alcohol concentration test does not constitute a violation of section 609.50 ~~(obstructing legal process)~~, unless the refusal was accompanied by force or violence or the threat of force or violence.

Subd. 2. **Reporting test failure.** ~~(a)~~ If a person submits to a test, the results of that test must be reported to ~~the commissioner and~~ to the authority having responsibility for prosecution of impaired driving offenses for the jurisdiction in which the acts occurred, if the test results indicate:

(1) an alcohol concentration of 0.08 or more;

(2) an alcohol concentration of 0.04 or more, if the person was driving, operating, or in physical control of a commercial motor vehicle at the time of the violation; ~~or~~

(3) the presence of a controlled substance listed in schedule I or II or its metabolite, other than marijuana or tetrahydrocannabinols; or

~~(b) If a person submits to a test and the test results indicate (4) the presence of a hazardous substance, the results of that test must be reported to the authority having responsibility for prosecution of impaired driving offenses for the jurisdiction in which the acts occurred.~~

~~Subd. 3. **Test refusal; license revocation.** (a) Upon certification by the peace officer that there existed probable cause to believe the person had been driving, operating, or in physical control of a motor vehicle in violation of section 169A.20 (driving while impaired), and that the person refused to submit to a test, the commissioner shall revoke the person's license or permit to drive, or nonresident operating privilege, for a period of one year even if a test was obtained pursuant to this section after the person refused to submit to testing.~~

~~(b) Upon certification by the peace officer that there existed probable cause to believe the person had been driving, operating, or in physical control of a commercial motor vehicle with the presence of any alcohol in violation of section 169A.20 (driving while impaired), and that the person refused to submit to a test, the commissioner shall disqualify the person from operating a commercial motor vehicle and shall revoke the person's license or permit to drive or nonresident operating privilege according to the federal regulations adopted by reference in section 171.165, subdivision 2.~~

~~Subd. 4. **Test failure; license revocation.** (a) Upon certification by the peace officer that there existed probable cause to believe the person had been driving, operating, or in physical control of a motor vehicle in violation of section 169A.20 (driving while impaired) and that the person submitted to a test and the test results indicate an alcohol concentration of 0.08 or more or the presence of a controlled substance listed in schedule I or II or its metabolite, other than marijuana or tetrahydrocannabinols, then the commissioner shall revoke the person's license or permit to drive, or nonresident operating privilege:~~

~~(1) for a period of 90 days;~~

~~(2) if the person is under the age of 21 years, for a period of six months;~~

~~(3) for a person with a qualified prior impaired driving incident within the past ten years, for a period of 180 days; or~~

~~(4) if the test results indicate an alcohol concentration of 0.20 or more, for twice the applicable period in clauses (1) to (3).~~

~~(b) On certification by the peace officer that there existed probable cause to believe the person had been driving, operating, or in physical control of a commercial motor vehicle with any presence of alcohol and that the person submitted to a test and the test results indicated an alcohol concentration of 0.04 or more, the commissioner shall disqualify the person from operating a commercial motor vehicle under section 171.165 (commercial driver's license disqualification).~~

~~(c) If the test is of a person's blood or urine by a laboratory operated by the Bureau of Criminal Apprehension, or authorized by the bureau to conduct the analysis of a blood or urine sample, the laboratory may directly certify to the commissioner the test results to the authority having responsibility for prosecution of impaired driving offenses for the jurisdiction in which the acts occurred, and the peace officer shall certify to the commissioner that same authority that there existed probable cause to believe the person had been driving, operating, or in physical control of a motor vehicle in violation of section 169A.20 and that the person submitted to a test. Upon receipt of both certifications, the commissioner shall undertake the license actions described in paragraphs (a) and (b).~~

~~Subd. 5. **Unlicensed drivers; license issuance denial.** If the person is a resident without a license or permit to operate a motor vehicle in this state, the commissioner shall deny to the person the issuance of a license or permit after the date of the alleged violation for the same period as provided in this section for revocation, subject to review as provided in section 169A.53 (administrative and judicial review of license revocation).~~

~~Subd. 6. **Notice of revocation or disqualification; review.** A revocation under this section or a disqualification under section 171.165 (commercial driver's license disqualification) becomes effective at the time the commissioner or a peace officer acting on behalf of the commissioner notifies the person of the intention to revoke, disqualify, or both, and of revocation or disqualification. The notice must advise the person of the right to obtain administrative and judicial review as provided in section 169A.53 (administrative and judicial review of license revocation). If mailed, the notice and order of revocation or disqualification is deemed received three days after mailing to the last known address of the person.~~

~~Subd. 7. **Test refusal; driving privilege lost.** (a) On behalf of the commissioner, a peace officer requiring a test or directing the administration of a chemical test shall serve immediate notice of intention to revoke and of revocation on a person who refuses to permit a test or on a person who submits to a test the results of which indicate an alcohol concentration of 0.08 or more.~~

~~(b) On behalf of the commissioner, a peace officer requiring a test or directing the administration of a chemical test of a person driving, operating, or in physical control of a commercial motor vehicle shall serve immediate notice of intention to disqualify and of disqualification on a person who refuses to permit a test, or on a person who submits to a test the results of which indicate an alcohol concentration of 0.04 or more.~~

~~(c) The officer shall:~~

~~(1) invalidate the person's driver's license or permit card by clipping the upper corner of the card in such a way that no identifying information including the photo is destroyed, and immediately return the card to the person;~~

~~(2) issue the person a temporary license effective for only seven days; and~~

~~(3) send the notification of this action to the commissioner along with the certificate required by subdivision 3 or 4.~~

~~Subd. 8. **Notice of action to other states.** When a nonresident's privilege to operate a motor vehicle in this state has been revoked or denied upon conviction for an offense described in this chapter, the commissioner shall give information in writing of the action taken to the official in charge of traffic control or public safety of the state of the person's residence and of any state in which the person has a license.~~

~~Sec. 9. Minnesota Statutes 2008, section 169A.54, subdivision 1, is amended to read:~~

~~Subdivision 1. **Revocation periods for DWI convictions.** Except as provided in subdivision 7, the commissioner shall revoke the driver's license of a person convicted of violating section 169A.20 (driving while impaired), or an ordinance in conformity with it, as follows:~~

~~(1) for an offense under section 169A.20, subdivision 1 (driving while impaired crime), test failure: ~~not less than 90 days or 30 days if the conviction occurs within 30 days of the issuance of a criminal charge for the violation;~~~~

~~(2) for an offense under section 169A.20, subdivision 2 (refusal to submit to chemical test crime): ~~not less than 90 180 days or 60 days if the conviction occurs within 30 days of issuance of a criminal charge for the violation;~~~~

~~(3) for an offense occurring within ten years of a qualified prior impaired driving incident:~~

(i) if the current conviction is for a violation of section 169A.20, subdivision 1, ~~not less than driving while impaired crime~~, 180 days ~~or 90 days if the conviction occurs within 30 days of issuance of the criminal charge for the violation~~ and until the court has certified that treatment ~~or rehabilitation~~ has been successfully completed where prescribed in accordance with section 169A.70 ~~(chemical use assessments)~~; or

(ii) if the current conviction is for a violation of section 169A.20, subdivision 2, ~~not less than refusal to submit to chemical test crime~~, one year ~~or 180 days if the conviction occurs within 30 days of issuance of the criminal charge for the violation~~ and until the court has certified that treatment ~~or rehabilitation~~ has been successfully completed where prescribed in accordance with section 169A.70; ~~or~~

(4) for an offense occurring within ten years of the first of two ~~or more~~ qualified prior impaired driving incidents: ~~not less than one year~~, together with denial under section 171.04, subdivision 1, clause (10), ~~persons not eligible for driver's license, inimical to public safety~~, until rehabilitation is established in accordance with ~~section 169A.56 and~~ standards established by the commissioner; ~~or~~

~~(5) for an offense occurring within ten years of the first of three or more qualified prior impaired driving incidents: not less than two years, together with denial under section 171.04, subdivision 1, clause (10), until rehabilitation is established in accordance with standards established by the commissioner.~~

Sec. 10. Minnesota Statutes 2008, section 169A.54, is amended by adding a subdivision to read:

Subd. 1a. **Conviction for another offense.** A person who was arrested for an offense listed in section 169A.20 who is convicted of a violation of section 169.13, reckless or careless driving, or another offense arising out of the same circumstances is subject to the driver's license revocation as described in subdivision 1, clause (1), or for a person with one or more qualified prior impaired driving incidents on record, is subject to the driver's license revocation described in subdivision 1, clause (3)(i).

Sec. 11. Minnesota Statutes 2008, section 169A.54, subdivision 10, is amended to read:

Subd. 10. **License revocation; court invalidation.** (a) Except as provided in subdivision 7, on behalf of the commissioner, a court shall serve notice of revocation or cancellation on a person convicted of a violation of section 169A.20 ~~(driving while impaired) unless the commissioner has already revoked the person's driving privileges or served the person with a notice of revocation for a violation of section 169A.52 (license revocation for test failure or refusal) arising out of the same incident.~~

(b) The court shall invalidate the driver's license or permit in such a way that no identifying information is destroyed.

Sec. 12. Minnesota Statutes 2008, section 169A.55, is amended to read:

169A.55 LICENSE REVOCATION TERMINATION; LICENSE REINSTATEMENT.

Subdivision 1. **Termination of revocation period.** If the commissioner receives notice of the driver's attendance at a driver improvement clinic, attendance at counseling sessions, or participation in treatment for an alcohol problem, the commissioner may, 30 days prior to the time the revocation period would otherwise expire, terminate the revocation period. The commissioner shall not terminate the revocation period under this subdivision for a driver who has had a license revoked under section ~~169A.52 (license revocation for test failure or refusal)~~; 169A.54 ~~(impaired driving convictions and adjudications; administrative penalties)~~; or Minnesota Statutes 1998, section 169.121 ~~(driving under the influence of alcohol or controlled substances)~~; or 169.123 ~~(implied consent)~~, for another incident during the preceding three-year period.

Subd. 2. **Reinstatement of driving privileges; notice.** Upon expiration of a period of revocation under section ~~169A.52 (license revocation for test failure or refusal) or 169A.54 (~~impaired driving convictions and adjudications; administrative penalties), the commissioner shall notify the person of the terms upon which driving privileges can be reinstated, and new registration plates issued, which terms are: (1) successful completion of an examination and proof of compliance with any terms of alcohol treatment or counseling previously prescribed, if any; and (2) any other requirements imposed by the commissioner and applicable to that particular case. The commissioner shall notify the owner of a motor vehicle subject to an impoundment order under section 169A.60 ~~(~~administrative impoundment of plates), as a result of the violation of the procedures for obtaining new registration plates, if the owner is not the violator. The commissioner shall also notify the person that if driving is resumed without reinstatement of driving privileges or without valid registration plates and registration certificate, the person will be subject to criminal penalties.

Subd. 3. **Juveniles; reinstatement or issuance of provisional license.** The commissioner shall not issue a provisional or regular driver's license to a person whose provisional driver's license was revoked for conviction as a juvenile of a violation of section 169A.20, driving while impaired, 169A.33, underage drinking and driving, or 169A.35, open bottle law; ~~a violation of a provision of sections 169A.50 to 169A.53~~; or a crash-related moving violation; until the person, following the violation, reaches the age of 18 and satisfactorily:

- (1) completes a formal course in driving instruction approved by the commissioner of public safety;
- (2) completes an additional three months' experience operating a motor vehicle, as documented to the satisfaction of the commissioner;
- (3) completes the written examination for a driver's license with a passing score; and
- (4) complies with all other laws for reinstatement of a provisional or regular driver's license, as applicable.

Sec. 13. **[169A.59] ADMINISTRATIVE SANCTIONS LIMITED.**

Notwithstanding any provision of this chapter or chapter 171 to the contrary, driver's license actions under section 169A.54, license plate impoundment under section 169A.60, and vehicle forfeiture under section 169A.63 are permitted only following conviction for the qualifying violation or designated offense.

Sec. 14. Minnesota Statutes 2008, section 169A.60, is amended to read:

169A.60 ADMINISTRATIVE LICENSE PLATE IMPOUNDMENT OF PLATES.

Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the meanings given in this subdivision.

- (b) "Family or household member" has the meaning given in section 169A.63, subdivision 1.
- (c) "Motor vehicle" means a self-propelled motor vehicle other than a motorboat in operation or an off-road recreational vehicle.
- (d) "Plate impoundment violation" includes:
 - (1) ~~conviction or adjudication for a violation of section 169A.20 (~~driving while impaired) ~~or 169A.52 (license revocation for test failure or refusal)~~, or a conforming ordinance from this state or a conforming statute or ordinance from another state, ~~that results in the revocation of a person's driver's license or driving privileges~~, within ten years of a qualified prior impaired driving incident;

~~(2) a license disqualification under section 171.165 (commercial driver's license disqualification) resulting from a violation of section 169A.52 within ten years of a qualified prior impaired driving incident;~~

~~(3) (2) conviction or adjudication for a violation of section 169A.20 or 169A.52 while having an alcohol concentration of 0.20 or more as measured at the time, or within two hours of the time, of the offense;~~

~~(4) (3) conviction or adjudication for a violation of section 169A.20 or 169A.52 while having a child under the age of 16 in the vehicle if the child is more than 36 months younger than the offender; and~~

~~(5) (4) conviction or adjudication for a violation of section 171.24 (driving without valid license), by a person whose driver's license or driving privileges have been canceled under section 171.04, subdivision 1, clause (10) (persons not eligible for driver's license, inimical to public safety).~~

(e) "Violator" means a person who was driving, operating, or in physical control of the motor vehicle when the plate impoundment violation occurred.

Subd. 2. **Plate impoundment violation; impoundment order.** (a) The commissioner shall issue a registration plate impoundment order ~~when:~~

~~(1) a person's driver's license or driving privileges are revoked for a plate impoundment violation; or~~

~~(2) a person is arrested for or charged with a plate impoundment violation upon receiving notification by the court that a person has been convicted of a plate impoundment violation described in subdivision 1, paragraph (d), clause (5).~~

(b) The order must require the impoundment of the registration plates of the motor vehicle involved in the plate impoundment violation and all motor vehicles owned by, registered, or leased in the name of the violator, including motor vehicles registered jointly or leased in the name of the violator and another. The commissioner shall not issue an impoundment order for the registration plates of a rental vehicle, as defined in section 168.041, subdivision 10, or a vehicle registered in another state.

Subd. 3. **Notice of impoundment.** An impoundment order is effective when the commissioner ~~or a peace officer acting on behalf of the commissioner~~ notifies the violator or the registered owner of the motor vehicle of the intent to impound and order of impoundment. The notice must advise the violator of the duties and obligations ~~set forth in~~ for the surrender of plates under subdivision 6 (surrender of plates) and of the right to obtain administrative and judicial review. The notice to the registered owner who is not the violator must include the procedure to obtain new registration plates under subdivision 8. If mailed, the notice and order of impoundment is deemed received three days after mailing to the last known address of the violator or the registered owner.

~~Subd. 4. **Peace officer as agent for notice of impoundment.** On behalf of the commissioner, a peace officer issuing a notice of intent to revoke and of revocation for a plate impoundment violation shall also serve a notice of intent to impound and an order of impoundment. On behalf of the commissioner, a peace officer who is arresting a person for or charging a person with a plate impoundment violation described in subdivision 1, paragraph (d), clause (5), shall also serve a notice of intent to impound and an order of impoundment. If the vehicle involved in the plate impoundment violation is accessible to the officer at the time the impoundment order is issued, the officer shall seize the registration plates subject to the impoundment order. The officer shall destroy all plates seized or impounded under this section. The officer shall send to the commissioner copies of the notice of intent to impound and the order of impoundment and a notice that registration plates impounded and seized under this section have been destroyed.~~

Subd. 5. **Temporary permit.** If the motor vehicle is registered to the violator, the ~~officer~~ commissioner shall issue a temporary vehicle permit that is valid for seven days ~~when the officer issues the notices under subdivision 4.~~ If the motor vehicle is registered in the name of another, the ~~officer~~ commissioner shall issue a temporary vehicle permit that is valid for 45 days ~~when the notices are issued under subdivision 3.~~ The permit must be in a form determined by the registrar and whenever practicable must be posted on the left side of the inside rear window of the vehicle. A permit is valid only for the vehicle for which it is issued.

Subd. 6. **Surrender of plates.** Within seven days after issuance of the impoundment notice, a person who receives a notice of impoundment and impoundment order shall surrender all registration plates subject to the impoundment order ~~that were not seized by a peace officer under subdivision 4.~~ Registration plates required to be surrendered under this subdivision must be surrendered to a Minnesota police department, sheriff, or the State Patrol, along with a copy of the impoundment order. A law enforcement agency receiving registration plates under this subdivision shall destroy the plates and notify the commissioner that they have been destroyed. The notification to the commissioner shall also include a copy of the impoundment order.

Subd. 7. **Vehicle not owned by violator.** A violator may file a sworn statement with the commissioner within seven days of the issuance of an impoundment order stating any material information relating to the impoundment order, including that the vehicle has been sold or destroyed, and supplying the date, name, location, and address of the person or entity that purchased or destroyed the vehicle. The commissioner shall rescind the impoundment order if the violator shows that the impoundment order was not properly issued.

Subd. 8. **Reissuance of registration plates.** (a) The commissioner shall rescind the impoundment order of a person subject to an order under this section, other than the violator, if:

(1) the violator had a valid driver's license on the date of the plate impoundment violation and the person files with the commissioner an acceptable sworn statement containing the following information:

(i) that the person is the registered owner of the vehicle from which the plates have been impounded under this section;

(ii) that the person is the current owner and possessor of the vehicle used in the violation;

(iii) the date on which the violator obtained the vehicle from the registered owner;

(iv) the residence addresses of the registered owner and the violator on the date the violator obtained the vehicle from the registered owner;

(v) that the person was not a passenger in the vehicle at the time of the plate impoundment violation; and

(vi) that the person knows that the violator may not drive, operate, or be in physical control of a vehicle without a valid driver's license; or

(2) the violator did not have a valid driver's license on the date of the plate impoundment violation and the person made a report to law enforcement before the violation stating that the vehicle had been taken from the person's possession or was being used without permission.

(b) A person who has failed to make a report as provided in paragraph (a), clause (2), may be issued special registration plates under subdivision 13 for a period of one year from the effective date of the impoundment order. Following this period, the person may apply for regular registration plates.

(c) If the order is rescinded, the owner shall receive new registration plates at no cost, if the plates were seized and destroyed.

~~Subd. 9. **Administrative review.** (a) At any time during the effective period of an impoundment order, a person may request in writing a review of the impoundment order by the commissioner. On receiving a request, the commissioner or the commissioner's designee shall review the order, the evidence upon which the order was based, and any other material information brought to the attention of the commissioner, and determine whether sufficient cause exists to sustain the order. The commissioner shall report in writing the results of the review within 15 days of receiving the request. The review provided in this subdivision is not subject to the contested case provisions of the Administrative Procedure Act in sections 14.001 to 14.69. As a result of this review, the commissioner may authorize the issuance at no cost of new registration plates to the registered owner of the vehicle if the registered owner's license or driving privileges were not revoked as a result of the plate impoundment violation.~~

~~(b) Review under this subdivision must take place, if possible, at the same time as any administrative review of the person's license revocation under section 169A.53 (administrative and judicial review of license revocation).~~

~~Subd. 10. **Petition for judicial review.** (a) Within 30 days following receipt of a notice and order of impoundment under this section, a person may petition the court for review. The petition must include proof of service of a copy of the petition on the commissioner. The petition must include the petitioner's date of birth, driver's license number, and date of the plate impoundment violation, as well as the name of the violator and the law enforcement agency that issued the plate impoundment order. The petition must state with specificity the grounds upon which the petitioner seeks rescission of the order for impoundment. The petition may be combined with any petition filed under section 169A.53 (administrative and judicial review of license revocation).~~

~~(b) Except as otherwise provided in this section, the judicial review and hearing are governed by section 169A.53 and must take place at the same time as any judicial review of the person's license revocation under section 169A.53. The filing of the petition does not stay the impoundment order. The reviewing court may order a stay of the balance of the impoundment period if the hearing has not been conducted within 60 days after filing of the petition upon terms the court deems proper. The court shall order either that the impoundment be rescinded or sustained, and forward the order to the commissioner. The court shall file its order within 14 days following the hearing.~~

~~(c) In addition to the issues described in section 169A.53, subdivision 3 (judicial review of license revocation), the scope of a hearing under this subdivision is limited to:~~

~~(1) if the impoundment is based on a plate impoundment violation described in subdivision 1, paragraph (d), clause (3) or (4), whether the peace officer had probable cause to believe the violator committed the plate impoundment violation and whether the evidence demonstrates that the plate impoundment violation occurred; and~~

~~(2) for all other cases, whether the peace officer had probable cause to believe the violator committed the plate impoundment violation.~~

~~(d) In a hearing under this subdivision, the following records are admissible in evidence:~~

~~(1) certified copies of the violator's driving record; and~~

~~(2) certified copies of vehicle registration records bearing the violator's name.~~

~~Subd. 11. **Rescission of revocation and dismissal or acquittal; new plates.** If:~~

~~(1) the driver's license revocation that is the basis for an impoundment order is rescinded; and~~

~~(2) the charges for the plate impoundment violation have been dismissed with prejudice or the violator has been acquitted of the plate impoundment violation;~~

~~then the registrar of motor vehicles shall issue new registration plates for the vehicle at no cost, when the registrar receives an application that includes a copy of the order rescinding the driver's license revocation and either the order dismissing the charges or the judgment of acquittal.~~

Subd. 12. **Charge for reinstatement of plates in certain situations.** When the registrar of motor vehicles reinstates a person's registration plates after impoundment ~~for reasons other than those described in subdivision 11,~~ the registrar shall charge the person \$50 for each vehicle for which the registration plates are being reinstated.

Subd. 13. **Special registration plates.** (a) At any time during the effective period of an impoundment order, a violator or registered owner may apply to the commissioner for new registration plates, which must bear a special series of numbers or letters so as to be readily identified by traffic law enforcement officers. The commissioner may authorize the issuance of special plates if:

- (1) the violator has a qualified licensed driver whom the violator must identify;
- (2) the violator or registered owner has a limited license issued under section 171.30;
- (3) the registered owner is not the violator and the registered owner has a valid or limited driver's license;
- (4) a member of the registered owner's household has a valid driver's license; or
- (5) the violator has been reissued a valid driver's license.

(b) The commissioner may not issue new registration plates for that vehicle subject to plate impoundment for a period of at least one year from the date of the impoundment order. In addition, if the owner is the violator, new registration plates may not be issued for the vehicle unless the person has been reissued a valid driver's license in accordance with chapter 171.

(c) A violator may not apply for new registration plates for a vehicle at any time before the person's driver's license is reinstated.

(d) The commissioner may issue the special plates on payment of a \$50 fee for each vehicle for which special plates are requested.

(e) Paragraphs (a) to (d) notwithstanding, the commissioner must issue upon request new registration plates for a vehicle for which the registration plates have been impounded if:

- (1) the impoundment order is rescinded;
- (2) the vehicle is transferred in compliance with subdivision 14; or
- (3) the vehicle is transferred to a Minnesota automobile dealer licensed under section 168.27, a financial institution that has submitted a repossession affidavit, or a government agency.

Subd. 14. **Sale of vehicle subject to impoundment order.** (a) A registered owner may not sell or transfer a motor vehicle during the time its registration plates have been ordered impounded or during the time its registration plates bear a special series number, unless:

- (1) the sale is for a valid consideration;
- (2) the transferee and the registered owner are not family or household members;

(3) the transferee signs an acceptable sworn statement with the commissioner attesting that:

(i) the transferee and the violator are not family or household members;

(ii) the transferee understands that the vehicle is subject to an impoundment order; and

(iii) it is a crime under section 169A.37 to file a false statement under this section or to allow the previously registered owner to drive, operate, or be in control of the vehicle during the impoundment period; and

(4) all elements of section 168A.10 ~~transfer of interest by owner~~ are satisfied.

(b) If the conditions of paragraph (a) are satisfied, the registrar may transfer the title to the new owner upon proper application and issue new registration plates for the vehicle.

Subd. 15. **Acquiring another vehicle.** If the violator applies to the commissioner for registration plates for any vehicle during the effective period of the plate impoundment, the commissioner shall not issue registration plates unless the violator qualifies for special registration plates under subdivision 13 and unless the plates issued are special plates as described in subdivision 13.

Subd. 16. **Fees credited.** Fees collected from the sale or reinstatement of license plates under this section must be paid into the state treasury and credited one-half to the vehicle services operating account in the special revenue fund specified in section 299A.705 and one-half to the general fund.

Subd. 17. **Plate impoundment; penalty.** Criminal penalties for violating this section are governed by section 169A.37.

~~Subd. 18. **Stop of vehicles bearing special plates.** The authority of a peace officer to stop a vehicle bearing special plates is governed by section 168.0422.~~

Sec. 15. Minnesota Statutes 2008, section 169A.63, is amended to read:

169A.63 VEHICLE FORFEITURE.

Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the meanings given them.

(b) "Appropriate agency" means a law enforcement agency that has the authority to make an arrest for a violation of a designated offense or to require a test under section 169A.51 (chemical tests for intoxication).

(c) "Claimant" means an owner of a motor vehicle or a person claiming a leasehold or security interest in a motor vehicle.

~~(d) "Designated license revocation" includes a license revocation under section 169A.52 (license revocation for test failure or refusal) or a license disqualification under section 171.165 (commercial driver's license disqualification) resulting from a violation of section 169A.52; within ten years of the first of two or more qualified prior impaired driving incidents.~~

~~(e)~~ (d) "Designated offense" includes:

(1) a violation of section 169A.20 ~~driving while impaired~~ under the circumstances described in section 169A.24 ~~first-degree driving while impaired~~, or 169A.25 ~~second-degree driving while impaired~~; or

(2) a violation of section 169A.20 or an ordinance in conformity with it:

(i) by a person whose driver's license or driving privileges have been canceled as inimical to public safety under section 171.04, subdivision 1, clause (10), and not reinstated; or

(ii) by a person who is subject to a restriction on the person's driver's license under section 171.09 ~~€~~ commissioner's license restrictions), which provides that the person may not use or consume any amount of alcohol or a controlled substance.

~~(f)~~ (e) "Family or household member" means:

(1) a parent, stepparent, or guardian;

(2) any of the following persons related by blood, marriage, or adoption: brother, sister, stepbrother, stepsister, first cousin, aunt, uncle, nephew, niece, grandparent, great-grandparent, great-uncle, great-aunt; or

(3) persons residing together or persons who regularly associate and communicate with one another outside of a workplace setting.

~~(g)~~ (f) "Motor vehicle" and "vehicle" do not include a vehicle which is stolen or taken in violation of the law.

~~(h)~~ (g) "Owner" means a person legally entitled to possession, use, and control of a motor vehicle, including a lessee of a motor vehicle if the lease agreement has a term of 180 days or more. There is a rebuttable presumption that a person registered as the owner of a motor vehicle according to the records of the Department of Public Safety is the legal owner. For purposes of this section, if a motor vehicle is owned jointly by two or more people, each owner's interest extends to the whole of the vehicle and is not subject to apportionment.

~~(i)~~ (h) "Prosecuting authority" means the attorney in the jurisdiction in which the designated offense occurred who is responsible for prosecuting violations of a designated offense or a designee. If a state agency initiated the forfeiture, and the attorney responsible for prosecuting the designated offense declines to pursue forfeiture, the Attorney General's Office or its designee may initiate forfeiture under this section.

~~(j)~~ (i) "Security interest" means a bona fide security interest perfected according to section 168A.17, subdivision 2, based on a loan or other financing that, if a vehicle is required to be registered under chapter 168, is listed on the vehicle's title.

Subd. 2. **Seizure.** (a) A motor vehicle subject to forfeiture under this section may be seized by the appropriate agency upon process issued by any court having jurisdiction over the vehicle.

(b) Property may be seized without process if:

~~(1) the seizure is incident to a lawful arrest or a lawful search;~~

~~(2) the vehicle subject to seizure has been the subject of a prior judgment in favor of the state in a criminal injunction or forfeiture proceeding under this section; or,~~

~~(3) the appropriate agency has probable cause to believe that the delay occasioned by the necessity to obtain process would result in the removal or destruction of the vehicle.~~ If property is seized without process under this ~~clause paragraph~~, the prosecuting authority must institute a forfeiture action under this section as soon as is reasonably possible by serving a notice of seizure and intent to forfeit at the address of the owner as listed in the records of the Department of Public Safety.

Subd. 3. **Right to possession vests immediately; custody.** All right, title, and interest in a vehicle subject to forfeiture under this section vests in the appropriate agency upon commission of the conduct resulting in the designated offense ~~or designated license revocation~~ giving rise to the forfeiture. Any vehicle seized under this section is not subject to replevin, but is deemed to be in the custody of the appropriate agency subject to the orders and decrees of the court having jurisdiction over the forfeiture proceedings. When a vehicle is seized under this section, the appropriate agency may:

- (1) place the vehicle under seal;
- (2) remove the vehicle to a place designated by it;
- (3) place a disabling device on the vehicle; and
- (4) take other steps reasonable and necessary to secure the vehicle and prevent waste.

Subd. 4. **Bond by owner for possession.** (a) If the owner of a vehicle that has been seized under this section seeks possession of the vehicle before the forfeiture action is determined, the owner may, subject to the approval of the appropriate agency, give security or post bond payable to the appropriate agency in an amount equal to the retail value of the seized vehicle. On posting the security or bond, the seized vehicle may be returned to the owner only if a disabling device is attached to the vehicle. The forfeiture action must proceed against the security as if it were the seized vehicle.

(b) If the owner of a motor vehicle that has been seized under this section seeks possession of the vehicle before the forfeiture action is determined, the owner may surrender the vehicle's certificate of title in exchange for the vehicle. The motor vehicle must be returned to the owner within 24 hours if the owner surrenders the motor vehicle's certificate of title to the appropriate agency, pending resolution of the forfeiture action. If the certificate is surrendered, the owner may not be ordered to post security or bond as a condition of release of the vehicle. When a certificate of title is surrendered under this provision, the agency shall notify the Department of Public Safety and any secured party noted on the certificate. The agency shall also notify the department and the secured party when it returns a surrendered title to the motor vehicle owner.

Subd. 5. **Evidence.** Certified copies of court records and motor vehicle and driver's license records concerning qualified prior impaired driving incidents are admissible as substantive evidence where necessary to prove the commission of a designated offense ~~or the occurrence of a designated license revocation~~.

Subd. 6. **Vehicle subject to forfeiture.** (a) A motor vehicle is subject to forfeiture under this section if it was used in the commission of a designated offense ~~or was used in conduct resulting in a designated license revocation~~.

(b) Motorboats subject to seizure and forfeiture under this section also include their trailers.

Subd. 7. **Limitations on vehicle forfeiture.** (a) A vehicle is presumed subject to forfeiture under this section if:

- ~~(1) the driver is convicted of the designated offense upon which the forfeiture is based;~~
- ~~(2) the driver fails to appear for a scheduled court appearance with respect to the designated offense charged and fails to voluntarily surrender within 48 hours after the time required for appearance; or~~
- ~~(3) the driver's conduct results in a designated license revocation and the driver fails to seek judicial review of the revocation in a timely manner as required by section 169A.53, subdivision 2, (petition for judicial review), or the license revocation is judicially reviewed and sustained under section 169A.53, subdivision 2.~~

(b) A vehicle encumbered by a security interest perfected according to section 168A.17, subdivision 2, or subject to a lease that has a term of 180 days or more, is subject to the interest of the secured party or lessor unless the party or lessor had knowledge of or consented to the act upon which the forfeiture is based. However, when the proceeds of the sale of a seized vehicle do not equal or exceed the outstanding loan balance, the appropriate agency shall remit all proceeds of the sale to the secured party after deducting the agency's costs for the seizure, tow, storage, forfeiture, and sale of the vehicle. If the sale of the vehicle is conducted in a commercially reasonable manner consistent with the provisions of section 336.9-610, the agency is not liable to the secured party for any amount owed on the loan in excess of the sale proceeds. The validity and amount of a nonperfected security interest must be established by its holder by clear and convincing evidence.

(c) Notwithstanding paragraph (b), the secured party's or lessor's interest in a vehicle is not subject to forfeiture based solely on the secured party's or lessor's knowledge of the act or omission upon which the forfeiture is based if the secured party or lessor demonstrates by clear and convincing evidence that the party or lessor took reasonable steps to terminate use of the vehicle by the offender.

(d) A motor vehicle is not subject to forfeiture under this section if its owner can demonstrate by clear and convincing evidence that the owner did not have actual or constructive knowledge that the vehicle would be used or operated in any manner contrary to law or that the owner took reasonable steps to prevent use of the vehicle by the offender. If the offender is a family or household member of the owner and has three or more prior impaired driving convictions, the owner is presumed to know of any vehicle use by the offender that is contrary to law. "Vehicle use contrary to law" includes, but is not limited to, violations of the following statutes:

- (1) section 171.24 ~~(~~violations; driving without valid license);
- (2) section 169.791 ~~(~~criminal penalty for failure to produce proof of insurance);
- (3) section 171.09 ~~(~~driving restrictions; authority, violations);
- (4) section 169A.20 ~~(~~driving while impaired);
- (5) section 169A.33 ~~(~~underage drinking and driving); and
- (6) section 169A.35 ~~(~~open bottle law).

Subd. 8. **Administrative forfeiture procedure.** (a) A motor vehicle used to commit a designated offense ~~or used in conduct resulting in a designated license revocation~~ is subject to administrative forfeiture under this subdivision.

(b) When a motor vehicle is seized under subdivision 2, or within a reasonable time after seizure, the appropriate agency shall serve the driver or operator of the vehicle with a notice of the seizure and intent to forfeit the vehicle. Additionally, when a motor vehicle is seized under subdivision 2, or within a reasonable time after that, all persons known to have an ownership, possessory, or security interest in the vehicle must be notified of the seizure and the intent to forfeit the vehicle. For those vehicles required to be registered under chapter 168, the notification to a person known to have a security interest in the vehicle is required only if the vehicle is registered under chapter 168 and the interest is listed on the vehicle's title. Notice mailed by certified mail to the address shown in Department of Public Safety records is sufficient notice to the registered owner of the vehicle. For motor vehicles not required to be registered under chapter 168, notice mailed by certified mail to the address shown in the applicable filing or registration for the vehicle is sufficient notice to a person known to have an ownership, possessory, or security interest in the vehicle. Otherwise, notice may be given in the manner provided by law for service of a summons in a civil action.

(c) The notice must be in writing and contain:

(1) a description of the vehicle seized; and

(2) the date of seizure; and

~~(3) notice of the right to obtain judicial review of the forfeiture and of the procedure for obtaining that judicial review, printed in English, Hmong, and Spanish. Substantially the following language must appear conspicuously: "IF YOU DO NOT DEMAND JUDICIAL REVIEW EXACTLY AS PRESCRIBED IN MINNESOTA STATUTES, SECTION 169A.63, SUBDIVISION 8, YOU LOSE THE RIGHT TO A JUDICIAL DETERMINATION OF THIS FORFEITURE AND YOU LOSE ANY RIGHT YOU MAY HAVE TO THE ABOVE DESCRIBED PROPERTY. YOU MAY NOT HAVE TO PAY THE FILING FEE FOR THE DEMAND IF DETERMINED YOU ARE UNABLE TO AFFORD THE FEE. IF THE PROPERTY IS WORTH \$7,500 OR LESS, YOU MAY FILE YOUR CLAIM IN CONCILIATION COURT. YOU DO NOT HAVE TO PAY THE CONCILIATION COURT FILING FEE IF THE PROPERTY IS WORTH LESS THAN \$500."~~

~~(d) Within 30 days following service of a notice of seizure and forfeiture under this subdivision, a claimant may file a demand for a judicial determination of the forfeiture. The demand must be in the form of a civil complaint and must be filed with the court administrator in the county in which the seizure occurred, together with proof of service of a copy of the complaint on the prosecuting authority having jurisdiction over the forfeiture and the appropriate agency that initiated the forfeiture, including the standard filing fee for civil actions unless the petitioner has the right to sue in forma pauperis under section 563.01. If the value of the seized property is \$7,500 or less, the claimant may file an action in conciliation court for recovery of the seized vehicle. A copy of the conciliation court statement of claim must be served personally or by mail on the prosecuting authority having jurisdiction over the forfeiture, as well as on the appropriate agency that initiated the forfeiture, within 30 days following service of the notice of seizure and forfeiture under this subdivision. If the value of the seized property is less than \$500, the claimant does not have to pay the conciliation court filing fee.~~

~~No responsive pleading is required of the prosecuting authority and no court fees may be charged for the prosecuting authority's appearance in the matter. The prosecuting authority may appear for the appropriate agency. Pleadings, filings, and methods of service are governed by the Rules of Civil Procedure.~~

~~(e) (d) The complaint must be captioned in the name of the claimant as plaintiff and the seized vehicle as defendant, and must state with specificity the grounds on which the claimant alleges the vehicle was improperly seized, the claimant's interest in the vehicle seized, and any affirmative defenses the claimant may have. Notwithstanding any law to the contrary, an action for the return of a vehicle seized under this section may not be maintained by or on behalf of any person who has been served with a notice of seizure and forfeiture unless the person has complied with this subdivision.~~

~~(f) If the claimant makes a timely demand for a judicial determination under this subdivision, the forfeiture proceedings must be conducted as provided under subdivision 9.~~

~~Subd. 9. **Judicial forfeiture procedure.** (a) This subdivision governs judicial determinations of the forfeiture of a motor vehicle used to commit a designated offense or used in conduct resulting in a designated license revocation. An action for forfeiture is a civil in rem action and is independent of any criminal prosecution. All proceedings are governed by the Rules of Civil Procedure.~~

~~(b) If no demand for judicial determination of the forfeiture is pending, the prosecuting authority may, in the name of the jurisdiction pursuing the forfeiture, file a separate complaint against the vehicle, describing it, specifying that it was used in the commission of a designated offense or was used in conduct resulting in a designated license revocation, and specifying the time and place of its unlawful use.~~

~~(c) The prosecuting authority may file an answer to a properly served demand for judicial determination, including an affirmative counterclaim for forfeiture. The prosecuting authority is not required to file an answer.~~

~~(d) A judicial determination under this subdivision must not precede adjudication in the criminal prosecution of the designated offense without the consent of the prosecuting authority. The district court administrator shall schedule the hearing as soon as practicable after adjudication in the criminal prosecution. The district court administrator shall establish procedures to ensure efficient compliance with this subdivision. The hearing is to the court without a jury.~~

~~(e) There is a presumption that a vehicle seized under this section is subject to forfeiture if the prosecuting authority establishes that the vehicle was used in the commission of a designated offense or designated license revocation. A claimant bears the burden of proving any affirmative defense raised.~~

~~(f) If the forfeiture is based on the commission of a designated offense and the person charged with the designated offense appears in court as required and is not convicted of the offense, the court shall order the property returned to the person legally entitled to it upon that person's compliance with the redemption requirements of section 169A.42. If the forfeiture is based on a designated license revocation, and the license revocation is rescinded under section 169A.53, subdivision 3 (judicial review hearing, issues, order, appeal), the court shall order the property returned to the person legally entitled to it upon that person's compliance with the redemption requirements of section 169A.42.~~

~~(g) If the lawful ownership of the vehicle used in the commission of a designated offense or used in conduct resulting in a designated license revocation can be determined and the owner makes the demonstration required under subdivision 7, paragraph (d), the vehicle must be returned immediately upon the owner's compliance with the redemption requirements of section 169A.42.~~

~~(h) If the court orders the return of a seized vehicle under this subdivision it must order that filing fees be reimbursed to the person who filed the demand for judicial determination. In addition, the court may order sanctions under section 549.211 (sanctions in civil actions). Any reimbursement fees or sanctions must be paid from other forfeiture proceeds of the law enforcement agency and prosecuting authority involved and in the same proportion as distributed under subdivision 10, paragraph (b).~~

Subd. 10. **Disposition of forfeited vehicle.** (a) If the vehicle is administratively forfeited under subdivision 8, or if the court finds ~~under subdivision 9~~ that the vehicle is subject to forfeiture under subdivisions 6 and 7, the appropriate agency shall:

(1) sell the vehicle and distribute the proceeds under paragraph (b); or

(2) keep the vehicle for official use. If the agency keeps a forfeited motor vehicle for official use, it shall make reasonable efforts to ensure that the motor vehicle is available for use by the agency's officers who participate in the drug abuse resistance education program.

(b) The proceeds from the sale of forfeited vehicles, after payment of seizure, towing, storage, forfeiture, and sale expenses, and satisfaction of valid liens against the property, must be distributed as follows:

(1) 70 percent of the proceeds must be forwarded to the appropriate agency for deposit as a supplement to the state or local agency's operating fund or similar fund for use in DWI-related enforcement, training, and education; and

(2) 30 percent of the money or proceeds must be forwarded to the prosecuting authority that handled the forfeiture for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes.

Subd. 11. **Sale of forfeited vehicle by secured party.** (a) A financial institution with a valid security interest in or a valid lease covering a forfeited vehicle may choose to dispose of the vehicle under this subdivision, in lieu of the appropriate agency disposing of the vehicle under subdivision ~~9~~ 10. A financial institution wishing to dispose of a vehicle under this subdivision shall notify the appropriate agency of its intent, in writing, within 30 days after receiving notice of the seizure and forfeiture. The appropriate agency shall release the vehicle to the financial institution or its agent after the financial institution presents proof of its valid security agreement or of its lease agreement and the financial institution agrees not to sell the vehicle to a member of the violator's household, ~~unless the violator is not convicted of the offense on which the forfeiture is based.~~ The financial institution shall dispose of the vehicle in a commercially reasonable manner as defined in section 336.9-610.

(b) After disposing of the forfeited vehicle, the financial institution shall reimburse the appropriate agency for its seizure, storage, and forfeiture costs. The financial institution may then apply the proceeds of the sale to its storage costs, to its sale expenses, and to satisfy the lien or the lease on the vehicle. If any proceeds remain, the financial institution shall forward the proceeds to the state treasury, which shall credit the appropriate fund as specified in subdivision ~~9~~ 10.

Sec. 16. Minnesota Statutes 2008, section 169A.75, is amended to read:

169A.75 IMPAIRED DRIVING-RELATED RULES.

(a) The commissioner may adopt rules to carry out the provisions of this chapter. The rules may include the format for notice of intention to revoke ~~that describe clearly the right to a hearing, the procedure for requesting a hearing, and the consequences of failure to request a hearing;~~ the format for revocation and notice of reinstatement of driving privileges as provided in section 169A.55~~;~~ and the format for temporary licenses.

(b) Rules adopted pursuant to this section are subject to the procedures in chapter 14 ~~(~~ Administrative Procedure Act~~)~~.

(c) Additionally, the commissioner may adopt rules indicating the commissioner's approval of instruments for preliminary screening or chemical tests for intoxication under sections 169A.41 and 169A.51 using the procedures specified in section 14.389 ~~(~~ expedited process~~)~~.

Sec. 17. Minnesota Statutes 2008, section 171.29, subdivision 1, is amended to read:

Subdivision 1. **Examination required.** No person whose driver's license has been revoked by reason of conviction, plea of guilty, or forfeiture of bail not vacated, under section 169.791, 169.797, 171.17, or 171.172, or revoked under section 169.792 ~~or~~ 169A.52, or 169A.54 shall be issued another license unless and until that person shall have successfully passed an examination as required by the commissioner of public safety. This subdivision does not apply to an applicant for early reinstatement under section 169.792, subdivision 7a.

Sec. 18. Minnesota Statutes 2008, section 171.30, is amended to read:

171.30 LIMITED LICENSE.

Subdivision 1. **Conditions of issuance.** (a) In any case where a person's license has been suspended under section 171.18, 171.173, or 171.186, or revoked under section 169.792, 169.797, ~~169A.52,~~ 169A.54, 171.17, or 171.172, the commissioner may issue a limited license to the driver including under the following conditions:

(1) if the driver's livelihood or attendance at a chemical dependency treatment or counseling program depends upon the use of the driver's license;

(2) if the use of a driver's license by a homemaker is necessary to prevent the substantial disruption of the education, medical, or nutritional needs of the family of the homemaker; or

(3) if attendance at a postsecondary institution of education by an enrolled student of that institution depends upon the use of the driver's license.

(b) The commissioner in issuing a limited license may impose such conditions and limitations as in the commissioner's judgment are necessary to the interests of the public safety and welfare including reexamination as to the driver's qualifications. The license may be limited to the operation of particular vehicles, to particular classes and times of operation, and to particular conditions of traffic. The commissioner may require that an applicant for a limited license affirmatively demonstrate that use of public transportation or carpooling as an alternative to a limited license would be a significant hardship.

(c) For purposes of this subdivision, "homemaker" refers to the person primarily performing the domestic tasks in a household of residents consisting of at least the person and the person's dependent child or other dependents.

(d) The limited license issued by the commissioner shall clearly indicate the limitations imposed and the driver operating under the limited license shall have the license in possession at all times when operating as a driver.

(e) In determining whether to issue a limited license, the commissioner shall consider the number and the seriousness of prior convictions and the entire driving record of the driver and shall consider the number of miles driven by the driver annually.

(f) If the person's driver's license or permit to drive has been revoked under section 169.792 or 169.797, the commissioner may ~~only~~ issue a limited license to the person only after the person has presented an insurance identification card, policy, or written statement indicating that the driver or owner has insurance coverage satisfactory to the commissioner of public safety. The commissioner of public safety may require the insurance identification card provided to satisfy this subdivision be certified by the insurance company to be noncancelable for a period not to exceed 12 months.

(g) The limited license issued by the commissioner to a person under section 171.186, subdivision 4, must expire 90 days after the date it is issued. The commissioner must not issue a limited license to a person who previously has been issued a limited license under section 171.186, subdivision 4.

(h) The commissioner shall not issue a limited driver's license to any person described in section 171.04, subdivision 1, clause (6), (7), (8), (10), (11), or (14).

(i) The commissioner shall not issue a class A, class B, or class C limited license.

Subd. 2. **60-day waiting period.** A limited license shall not be issued for a period of 60 days to an individual whose license or privilege has been revoked or suspended for commission of the following offenses:

(1) any felony in the commission of which a motor vehicle was used; or

(2) failure to stop and disclose identity as required under section 169.09, in the event of a motor vehicle accident resulting in the death or personal injury of another.

Subd. 2a. **Other waiting periods.** Notwithstanding subdivision 2, a limited license shall not be issued for a period ~~of equal to~~:

(1) ~~15 days one-half the period of the license revocation or suspension, to a person whose license or privilege has been revoked or suspended for a violation of section 169A.20, sections 169A.50 to 169A.53, driving while impaired, or for a person subject to the requirements of the rehabilitation refresher course required under section 169A.56, or a statute or ordinance from another state in conformity with either of those sections, that section;~~

(2) ~~90 days, to a person who submitted to testing under sections 169A.50 to 169A.53 if the person's license or privilege has been revoked or suspended for a second violation within ten years or a third or subsequent violation of section 169A.20, sections 169A.50 to 169A.53, or a statute or ordinance from another state in conformity with either of those sections; notwithstanding subdivision 1, paragraph (h), one-half the period of rehabilitation required under section 169A.56, subdivision 1, but only if the commissioner has determined that the person has been in full compliance with the rehabilitation requirements for that duration of time; or~~

(3) ~~180 days, to a person who refused testing under sections 169A.50 to 169A.53 if the person's license or privilege has been revoked or suspended for a second violation within ten years or a third or subsequent violation of sections 169A.20, 169A.50 to 169A.53, or a statute or ordinance from another state in conformity with either of those sections; or~~

~~(4)~~ (3) one year, to a person whose license or privilege has been revoked or suspended for committing manslaughter resulting from the operation of a motor vehicle, committing criminal vehicular homicide or injury under section 609.21, or violating a statute or ordinance from another state in conformity with either of those offenses.

Subd. 2b. **Waiting period for youth under 18.** If a person whose driver's license was suspended or revoked for a violation listed under subdivision 2 or 2a is under the age of 18 years at the time of that violation, the commissioner shall not issue a limited license to the person for a period of time that is the longest of: (1) 90 days; or (2) twice the length of the period specified for that violation in subdivision 2 or 2a.

Subd. 2c. **Extended waiting period.** If a person's license or privilege has been revoked or suspended for a violation of section 169A.20 ~~or sections 169A.50 to 169A.53~~, or a statute or ordinance from another state in conformity with ~~either of those sections, that section~~, and the person's alcohol concentration was 0.20 or greater at the time of the violation, a limited license may not be issued for a period of time equal to twice the time period specified in subdivision 2a or 2b.

Subd. 4. **Penalty.** A person who violates a condition or limitation of a limited license issued under subdivision 1 or fails to have the license in immediate possession at all times when operating a motor vehicle is guilty of a misdemeanor. In addition, a person who violates a condition or limitation of a limited license may not operate a motor vehicle for the remainder of the period of suspension or revocation, or 30 days, whichever is longer.

Sec. 19. Minnesota Statutes 2008, section 609.101, subdivision 4, is amended to read:

Subd. 4. **Minimum fines; other crimes.** Notwithstanding any other law:

(1) when a court sentences a person convicted of a felony that is not listed in subdivision 2 or 3, it must impose a fine of not less than 30 percent of the maximum fine authorized by law nor more than the maximum fine authorized by law; and

(2) when a court sentences a person convicted of a gross misdemeanor or misdemeanor that is not listed in subdivision 2, it must impose a fine of not less than 30 percent of the maximum fine authorized by law nor more than the maximum fine authorized by law, unless the fine is set at a lower amount on a uniform fine schedule established by the Judicial Council in consultation with affected state and local agencies. The court shall include misdemeanor offenses listed under chapter 169A on the uniform fine schedule. This schedule shall be promulgated not later than September 1 of each year and shall become effective on January 1 of the next year unless the legislature, by law, provides otherwise.

The minimum fine required by this subdivision is in addition to the surcharge or assessment required by section 357.021, subdivision 6, and is in addition to any sentence of imprisonment or restitution imposed or ordered by the court.

The court shall collect the fines mandated in this subdivision and, except for fines for traffic and motor vehicle violations governed by section 169.871 and section 299D.03 and fish and game violations governed by section 97A.065, forward 20 percent of the revenues to the commissioner of finance for deposit in the general fund.

Sec. 20. **REPEALER.**

Minnesota Statutes 2008, sections 169A.276, subdivision 3; 169A.53; and 171.165, subdivision 2, are repealed.

ARTICLE 2

REHABILITATION AND DRIVER'S LICENSE REINSTATEMENT; B-CARDS

Section 1. **[169A.56] REHABILITATION AND REFRESHER COURSE.**

Subdivision 1. **Application.** (a) Following cancellation and denial of a person's driver's license or driving privileges upon conviction for a violation of section 169A.20, impaired driving, or 609.21, subdivision 1, clauses (2) to (6), criminal vehicular operation, within:

(1) ten years of two or more qualified prior impaired driving incidents; or

(2) after having been subject at any time previously to the requirements of rehabilitation under this section or under rules established by the commissioner,

the person is not eligible for a driver's license or conditional driver's license until the person has completed a prescribed portion of rehabilitation and has agreed to continuing abstinence from and monitoring for alcohol and controlled substances as described in this section.

(b) Following cancellation and denial of a person's driver's license or driving privileges upon conviction for a violation of this section, section 171.09, subdivision 1, paragraph (d), clause (1), restricted driver's license, or 171.30, subdivision 4, limited driver's license, work permit, the person is not eligible for a driver's license or conditional driver's license until the person has completed a prescribed portion of an approved rehabilitation refresher course and has agreed to continuing abstinence from and monitoring for alcohol and controlled substances as described in this section.

(c) Under the authority provided by chapter 171, the commissioner shall not reinstate the driver's license or driving privileges of a person subject to the rehabilitation or rehabilitation refresher course requirements of this section until the commissioner determines that the person has completed a portion of the required rehabilitation or rehabilitation refresher course, as prescribing in section 169A.58.

Subd. 2. **Rehabilitation requirements.** To complete rehabilitation or a rehabilitation refresher course, a person must meet the following requirements, as prescribed by the commissioner and this section:

(1) successfully complete chemical dependency treatment;

(2) participate regularly in a generally recognized support group based on ongoing abstinence;

(3) continuously abstain from the use of alcohol and controlled substances for a documented period of time;

(4) refrain from any violation of section 171.24, driving without valid license; and

(5)(i) for rehabilitation, submit to a rehabilitation review interview; or

(ii) for the rehabilitation refresher course, present a certificate of successful completion from the course instructor or course supervisor.

Subd. 3. Abstinence period. (a) The required period of documented abstinence from alcohol and controlled substances is:

(1) one year, for rehabilitation; and

(2) 30 days, for a rehabilitation refresher course.

(b) Rehabilitation and the rehabilitation refresher course is not complete if the commissioner has sufficient cause to believe that the person has not abstained from the use of alcohol or a controlled substance for the period claimed.

(c) Any time spent by the person living in a correctional institution, halfway house, or other correctional environment during rehabilitation counts at half rate toward the person's completion of the required abstinence period. A minimum of six months must be spent by the person living outside a controlled correctional environment immediately before submitting evidence to the commissioner showing compliance with all rehabilitation or rehabilitation refresher course requirements.

(d) This subdivision does not apply to the consumption of a controlled substance in accordance with a medical prescription.

Subd. 4. Continued chemical monitoring; violation. (a) As a condition of reinstatement by the commissioner of a person's driver's license or driving privileges following the person's completion of rehabilitation or the rehabilitation refresher course, the person must agree in writing to completely abstain from alcohol and controlled substances for an additional period of five years following reinstatement, and to submit to continued chemical monitoring during that time period using periodic random urinalysis up to twice annually, or remote electronic alcohol monitoring for up to one month annually, as prescribed by the commissioner and paid for by the person. As deemed helpful to the person's continuing sobriety and recovery, the commissioner may adjust these chemical monitoring requirements, but may not increase them beyond the levels specified in this subdivision.

(b) The commissioner shall suspend the driver's license and driving privileges of a person on sufficient cause to believe that the person has consumed alcohol or a controlled substance during the continuing period of abstinence described in this subdivision.

(c) A person whose driver's license or driving privileges have been suspended under paragraph (b) is not eligible for reinstatement of a driver's license or driving privileges until successfully completing the rehabilitation refresher course required by subdivision 1, paragraph (b).

Subd. 5. Fraudulent documentation. If the commissioner determines by a preponderance of the evidence that a person has submitted fraudulent documentation of successful completion of rehabilitation or a rehabilitation refresher course, the commissioner shall impose an additional 90 days to the required time period for the person's rehabilitation or rehabilitation refresher course.

Subd. 6. Payment. Any costs, fees, and surcharges for treatment, rehabilitation, the rehabilitation refresher course, and continuing chemical monitoring are the responsibility of the offender using those services.

Subd. 7. **Program certification.** The commissioner is authorized to certify service providers to provide treatment, rehabilitation, the rehabilitation refresher course, and continuing chemical monitoring required by this section.

Subd. 8. **Rules; additional requirements prohibited.** The commissioner may adopt rules to carry out the provisions of this section, but is prohibited from imposing any additional requirements, penalties, or sanctions regarding rehabilitation, the rehabilitation refresher course, or continuing chemical monitoring that are inconsistent with this section.

Sec. 2. [169A.57] CONDITIONAL DRIVER'S LICENSE; B-CARD; LICENSE REINSTATEMENT.

(a) Notwithstanding any provision of section 171.09, subdivision 1, paragraph (d), to the contrary, a person who, to the satisfaction of the commissioner, has completed a prescribed portion of rehabilitation or a rehabilitation refresher course as required by section 169A.56, and who has completed any other examination, fee, and insurance requirements for a restricted driver's license under chapter 171, is eligible for reinstatement of the person's driver's license and driving privileges, subject to the restriction of no use of alcohol or controlled substances, in accordance with section 171.09. The restricted driver's license may be commonly referred to as a "B-card" or "B-card license."

(b) Notwithstanding any provision of chapter 171 to the contrary, a person who, to the satisfaction of the commissioner, has completed the required five-year period of continuing abstinence following rehabilitation or a rehabilitation refresher course as required by section 169A.56, and who has completed all other requirements of chapter 171 for a driver's license, is eligible for reinstatement of the person's driver's license and driving privileges without further restriction to the condition of no use of alcohol or controlled substances.

Sec. 3. [169A.58] ISSUANCE OF LIMITED LICENSE; WORK PERMIT.

Notwithstanding any provision of section 171.30 or any other section to the contrary, the waiting period for issuance of a limited license is 90 days for a person subject to and in full compliance with the rehabilitation requirements of section 169A.56, subdivision 1, paragraph (a), and 15 days for a person subject to and in full compliance with the requirements of a rehabilitation refresher course under section 169A.56, subdivision 1, paragraph (b).

Sec. 4. [169A.59] DRIVING RECORD PRIVATE AFTER TEN YEARS.

(a) Notwithstanding any provision of chapter 171 to the contrary, upon the date ten years following a person's most recent driver's license revocation or cancellation for violation of this chapter, the driver's license record or records pertaining to prior violations by the person are classified as private data on individuals according to section 13.02, subdivision 12.

(b) Notwithstanding paragraph (a), upon revocation or cancellation of a person's driver's license record under section 169A.54, any driving record or records classified as private data on individuals according to paragraph (a) and section 13.02, subdivision 12, must be reclassified as public data on individuals according to section 13.02, subdivision 15.

Sec. 5. EFFECTIVE DATE.

Sections 1 to 4 are effective August 1, 2009, and apply to licensing actions and administrative procedures resulting from driving incidents occurring on or after that date.

ARTICLE 3

MISCELLANEOUS PROVISIONS

Section 1. Minnesota Statutes 2008, section 169.13, subdivision 1, is amended to read:

Subdivision 1. **Reckless driving; enhancement for alcohol involvement.** (a) Any person who drives any vehicle in such a manner as to indicate either a willful or a wanton disregard for the safety of persons or property is guilty of reckless driving and such reckless driving is a misdemeanor. Such driving is a gross misdemeanor if the person's alcohol concentration is .05 or more, as measured in accordance with section 169A.51 at the time of driving, or within two hours of the time of driving. For purposes of this section, the term "alcohol concentration" has the meaning given in section 169A.03, subdivision 2.

(b) A person shall not race any vehicle upon any street or highway of this state. Any person who willfully compares or contests relative speeds by operating one or more vehicles is guilty of racing, which constitutes reckless driving, whether or not the speed contested or compared is in excess of the maximum speed prescribed by law.

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to prosecutions for violations stemming from driving incidents occurring on or after that date.

Sec. 2. Minnesota Statutes 2008, section 169.89, subdivision 2, is amended to read:

Subd. 2. **Petty misdemeanor penalty; no jury trial.** A person charged with a petty misdemeanor is not entitled to a jury trial but shall be tried by a judge without a jury. If convicted, the person is not subject to imprisonment but shall be punished by a fine of not more than \$300, or a fine of not more than \$1,000 if the conviction is for a violation of section 169A.20 under conditions described in section 169A.27.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to acts committed on or after that date.

Sec. 3. Minnesota Statutes 2008, section 609.02, subdivision 4a, is amended to read:

Subd. 4a. **Petty misdemeanor.** "Petty misdemeanor" means a petty offense which is prohibited by statute, which does not constitute a crime and for which a sentence of a fine of not more than \$300 may be imposed, or a fine of not more than \$1,000 for a violation of section 169A.20 under conditions described in section 169A.27.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to acts committed on or after that date.

Sec. 4. Minnesota Statutes 2008, section 609.0331, is amended to read:

609.0331 MAXIMUM PENALTIES; PETTY MISDEMEANORS.

A law of this state that provides, on or after August 1, 2000, for a maximum penalty of \$200 for a petty misdemeanor is considered to provide for a maximum fine of \$300, or a maximum fine of \$1,000 for a violation of section 169A.20 under conditions described in section 169A.27.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to acts committed on or after that date.

Sec. 5. Minnesota Statutes 2008, section 609.0332, subdivision 1, is amended to read:

Subdivision 1. **Increased fine.** From August 1, 2000, if a state law or municipal charter sets a limit of \$200 or less on the fines that a statutory or home rule charter city, town, county, or other political subdivision may prescribe for an ordinance violation that is defined as a petty misdemeanor, that law or charter is considered to provide that the political subdivision has the power to prescribe a maximum fine of \$300 for the petty misdemeanor violation, or a fine of not more than \$1,000 for a violation of section 169A.20 under conditions described in section 169A.27.

EFFECTIVE DATE. This section is effective July 1, 2009, and applies to acts committed on or after that date.

Sec. 6. **CHEMICAL TESTING DEVICE; REPLACEMENT.**

By September 15, 2009, the commissioner of public safety shall issue a request for proposals for the replacement of the state inventory of Intoxylizer 5000 breath testing devices used for making alcohol concentration breath tests in accordance with Minnesota Statutes 2008, section 169A.51, and by January 15, 2010, the commissioner shall report to the legislative chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over public safety and transportation regarding the results of that request for proposals, including recommendations for legislative action on the matter.

The request for proposal must, indicate that any proposal must, among other features, describe the ways in which the proposed replacement device is superior to the Intoxylizer 5000 testing device currently in use, and must require that the vendor be willing to conveniently share the computer source code employed by the proposed device with litigants in impaired driving cases involving evidence obtained by utilizing the device.

EFFECTIVE DATE. This section is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to impaired driving; eliminating the pretrial application of certain civil sanctions for impaired driving, including administrative license revocation, vehicle license plate impoundment, and vehicle forfeiture; restructuring postconviction driver's license revocation periods, including work permits, restricted driver's licenses, and B-cards; authorizing a payable fine for misdemeanor impaired driving offenses; establishing requirements for abstinence and rehabilitation for multiple repeat impaired driving offenders; providing for proposals to replace breath testing devices for alcohol concentration breath tests; amending Minnesota Statutes 2008, sections 84.91; 86B.331; 169.13, subdivision 1, by adding a subdivision; 169.89, subdivision 2; 169A.20, subdivision 2; 169A.44, subdivision 2; 169A.47; 169A.50; 169A.52; 169A.54, subdivisions 1, 10, by adding a subdivision; 169A.55; 169A.60; 169A.63; 169A.75; 171.29, subdivision 1; 171.30; 609.02, subdivision 4a; 609.0331; 609.0332, subdivision 1; 609.101, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 169A; repealing Minnesota Statutes 2008, sections 169A.276, subdivision 3; 169A.53; 171.165, subdivision 2."

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

The report was adopted.

Mullery from the Committee on Civil Justice to which was referred:

H. F. No. 1322, A bill for an act relating to health; changing provisions for health information technology and infrastructure; establishing an e-health advisory committee; changing electronic health records provisions; changing electronic health record system revolving account and loan program; modifying electronic prescribing provisions; amending Minnesota Statutes 2008, sections 62J.495; 62J.496; 62J.497, subdivisions 1, 2.

Reported the same back with the following amendments:

Page 6, delete lines 18 and 19 and insert:

"(b) Nothing in this section authorizes the collection of individual patient data."

Page 7, after line 12, insert:

"A contributing entity may not specify that the recipient or recipients of any loan use specific products or services, nor may the contributing entity imply that a contribution is an endorsement of any specific product or service."

Page 7, line 32, strike "and"

Page 7, after line 32, insert:

"(6) local public health departments as defined in chapter 145A; and"

Page 7, line 33, delete "(6)" and insert "(7)"

With the recommendation that when so amended the bill pass.

The report was adopted.

Mariani from the Committee on K-12 Education Policy and Oversight to which was referred:

H. F. No. 1340, A bill for an act relating to education; creating an alternative teacher preparation program and a resident teacher license for qualified nontraditional candidates; proposing coding for new law in Minnesota Statutes, chapter 122A.

Reported the same back with the following amendments:

Page 1, line 15, delete "with" and insert "that, in partnership with a college or university with an approved teacher preparation program, develops"

Page 1, line 17, delete "but must not restrict the program based on geography or on "

Page 1, line 18, delete everything before the period

Page 2, line 6, delete "a qualifying score on a board-approved content area test" and insert "qualifying scores on board-approved content area and pedagogy tests"

Page 2, after line 6, insert:

"(c) The board may waive the minimum grade point average requirement in paragraph (b), clause (1), for candidates with a grade point average of 2.75 or higher."

Page 2, line 9, delete "maximum eight-week" and insert "minimum 200-hour"

Page 2, line 20, delete "classroom-focused" and insert "classroom-embedded"

Page 2, line 33, after "mentor" insert "or mentorship team"

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

The report was adopted.

Atkins from the Committee on Commerce and Labor to which was referred:

H. F. No. 1345, A bill for an act relating to insurance; prohibiting certain claims processing practices by third-party administrators of health coverage plans; regulating health claims clearinghouses; providing a time limit on insurer audits of health claims payments; amending Minnesota Statutes 2008, section 60A.23, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 62Q.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 60A.23, subdivision 8, is amended to read:

Subd. 8. **Self-insurance or insurance plan administrators who are vendors of risk management services.**

(1) **Scope.** This subdivision applies to any vendor of risk management services and to any entity which administers, for compensation, a self-insurance or insurance plan. This subdivision does not apply (a) to an insurance company authorized to transact insurance in this state, as defined by section 60A.06, subdivision 1, clauses (4) and (5); (b) to a service plan corporation, as defined by section 62C.02, subdivision 6; (c) to a health maintenance organization, as defined by section 62D.02, subdivision 4; (d) to an employer directly operating a self-insurance plan for its employees' benefits; (e) to an entity which administers a program of health benefits established pursuant to a collective bargaining agreement between an employer, or group or association of employers, and a union or unions; or (f) to an entity which administers a self-insurance or insurance plan if a licensed Minnesota insurer is providing insurance to the plan and if the licensed insurer has appointed the entity administering the plan as one of its licensed agents within this state.

(2) **Definitions.** For purposes of this subdivision the following terms have the meanings given them.

(a) "Administering a self-insurance or insurance plan" means (i) processing, reviewing or paying claims, (ii) establishing or operating funds and accounts, or (iii) otherwise providing necessary administrative services in connection with the operation of a self-insurance or insurance plan.

(b) "Employer" means an employer, as defined by section 62E.02, subdivision 2.

(c) "Entity" means any association, corporation, partnership, sole proprietorship, trust, or other business entity engaged in or transacting business in this state.

(d) "Self-insurance or insurance plan" means a plan providing life, medical or hospital care, accident, sickness or disability insurance for the benefit of employees or members of an association, or a plan providing liability coverage for any other risk or hazard, which is or is not directly insured or provided by a licensed insurer, service plan corporation, or health maintenance organization.

(e) "Vendor of risk management services" means an entity providing for compensation actuarial, financial management, accounting, legal or other services for the purpose of designing and establishing a self-insurance or insurance plan for an employer.

(3) **License.** No vendor of risk management services or entity administering a self-insurance or insurance plan may transact this business in this state unless it is licensed to do so by the commissioner. An applicant for a license shall state in writing the type of activities it seeks authorization to engage in and the type of services it seeks authorization to provide. The license may be granted only when the commissioner is satisfied that the entity possesses the necessary organization, background, expertise, and financial integrity to supply the services sought to be offered. The commissioner may issue a license subject to restrictions or limitations upon the authorization, including the type of services which may be supplied or the activities which may be engaged in. The license fee is \$1,500 for the initial application and \$1,500 for each three-year renewal. All licenses are for a period of three years.

(4) **Regulatory restrictions; powers of the commissioner.** To assure that self-insurance or insurance plans are financially solvent, are administered in a fair and equitable fashion, and are processing claims and paying benefits in a prompt, fair, and honest manner, vendors of risk management services and entities administering insurance or self-insurance plans are subject to the supervision and examination by the commissioner. Vendors of risk management services, entities administering insurance or self-insurance plans, and insurance or self-insurance plans established or operated by them are subject to the trade practice requirements of sections 72A.19 to 72A.30. In lieu of an unlimited guarantee from a parent corporation for a vendor of risk management services or an entity administering insurance or self-insurance plans, the commissioner may accept a surety bond in a form satisfactory to the commissioner in an amount equal to 120 percent of the total amount of claims handled by the applicant in the prior year. If at any time the total amount of claims handled during a year exceeds the amount upon which the bond was calculated, the administrator shall immediately notify the commissioner. The commissioner may require that the bond be increased accordingly.

No contract entered into after July 1, 2001, between a licensed vendor of risk management services and a group authorized to self-insure for workers' compensation liabilities under section 79A.03, subdivision 6, may take effect until it has been filed with the commissioner, and either (1) the commissioner has approved it or (2) 60 days have elapsed and the commissioner has not disapproved it as misleading or violative of public policy.

(5) **Rulemaking authority.** To carry out the purposes of this subdivision, the commissioner may adopt rules pursuant to sections 14.001 to 14.69. These rules may:

- (a) establish reporting requirements for administrators of insurance or self-insurance plans;
- (b) establish standards and guidelines to assure the adequacy of financing, reinsuring, and administration of insurance or self-insurance plans;
- (c) establish bonding requirements or other provisions assuring the financial integrity of entities administering insurance or self-insurance plans; or
- (d) establish other reasonable requirements to further the purposes of this subdivision.

(6) **Claims processing practices.** No entity administering a self-insurance or insurance plan shall:

(a) require a patient to pay for care provided by an in-network provider an amount that exceeds the fee negotiated between the entity and that provider for the covered service provided;

(b) attempt to recoup from the provider a payment owed to the provider by the patient for deductibles, co-pays, coinsurance, or other enrollee cost-sharing required under the plan, unless the administrator has confirmed with the provider that the patient has paid the cost-sharing amounts in full; or

(c) limit the time period for a provider to submit a claim, which may not be less than 90 days through contract except when otherwise required by state or federal law or regulation, unless the health care provider knew or was informed of the correct name and address of the responsible health plan company or third-party administrator. For purposes of this paragraph, presentation of the health coverage identification card by the patient is deemed sufficient notification of the correct information.

EFFECTIVE DATE. Paragraph 6, clause (c) is effective August 1, 2009, and applies to patient care provided on or after that date. Paragraph 6, clauses (a) and (b), are effective the day following final enactment.

Sec. 2. **[62Q.7375] HEALTH CARE CLEARINGHOUSES.**

Subdivision 1. Definition. For the purposes of this section, "health care clearinghouse" or "clearinghouse" means a public or private entity, including a billing service, repricing company, community health management information system or community health information system, and "value-added" networks and switches, that does either of the following functions:

(1) processes or facilitates the processing of health information received from another entity in a nonstandard format or containing nonstandard data content into standard data elements or a standard transaction; or

(2) receives a standard transaction from another entity and processes or facilitates the processing of health information into nonstandard format or nonstandard data content for the receiving entity.

Subd. 2. Claims submission deadlines and careful handling. (a) A health plan or third-party administrator must not have or enforce a deadline for submission of claims that is shorter than the period provided in section 60A.23, subdivision 8, paragraph (6), clause (c).

(b) A claim submitted to a health plan or third-party administrator through a health care clearinghouse or clearinghouse within the time permitted under paragraph (a) must be treated as timely by the health plan or third-party administrator. This paragraph does not apply if the provider submitted the claim to a clearinghouse that does not have the ability or authority to transmit the claim to the relevant health plan company.

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to claims transmitted to a clearinghouse on or after that date.

Sec. 3. **[62Q.748] HEALTH CLAIMS PAYMENT AUDITS; TIME LIMIT.**

(a) Except as noted in this paragraph, no health plan company providing health coverage in this state shall initiate an audit to recover a paid claim on the basis that the claim was paid for a service that was not medically necessary treatment at a time that is more than six months after the claim was paid. This paragraph does not apply to any audit conducted by the health plan company to determine whether:

(1) the service provided met clinical guidelines that were available to the provider prior to the provision of the service;

(2) the payment was an overpayment or otherwise made in error to the provider; or

(3) the payment made to the provider was correct based on coordination of benefits, subrogation, or other third-party liability payments made to the provider.

(b) No health plan company providing health coverage in this state shall withhold payment on current claims during the pendency of an audit described in paragraph (a) unless the audit dispute has reached final adjudication. A health plan company may withhold payment if there is:

- (1) suspicion of fraudulent claims submissions by the provider;
- (2) documentation that the provider has failed to provide services consistent with clinical guidelines; or
- (3) suspicion of overpayments based on coding error or other coding irregularities.

(c) This section does not apply to an investigation, based on a reasonable belief of suspected insurance fraud or abuse, by a health plan company or an authorized person as defined in section 60A.951, subdivision 2.

EFFECTIVE DATE. This section is effective August 1, 2009, and applies to claims paid for services provided after that date.

Sec. 4. Minnesota Statutes 2008, section 319B.02, is amended by adding a subdivision to read:

Subd. 21a. **Surviving spouse.** "Surviving spouse" means a surviving spouse of a deceased professional as an individual, as the personal representative of the estate of the decedent, as the trustee of an inter vivos or testamentary trust created by the decedent, or as the sole heir or beneficiary of an estate or trust of which the personal representative or trustee is a bank or other institution that has trust powers.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to surviving spouses of professionals who die on or after that date.

Sec. 5. Minnesota Statutes 2008, section 319B.07, subdivision 1, is amended to read:

Subdivision 1. **Ownership of interests restricted.** Ownership interests in a professional firm may not be owned or held, either directly or indirectly, except by any of the following:

- (1) professionals who, with respect to at least one category of the pertinent professional services, are licensed and not disqualified;
- (2) general partnerships, other than limited liability partnerships, authorized to furnish at least one category of the professional firm's pertinent professional services;
- (3) other professional firms authorized to furnish at least one category of the professional firm's pertinent professional services;
- (4) a voting trust established with respect to some or all of the ownership interests in the professional firm, if (i) the professional firm's generally applicable governing law permits the establishment of voting trusts, and (ii) all the voting trustees and all the holders of beneficial interests in the trust are professionals licensed to furnish at least one category of the pertinent professional services; ~~and~~
- (5) an employee stock ownership plan as defined in section 4975(e)(7) of the Internal Revenue Code of 1986, as amended, if (i) all the voting trustees of the plan are professionals licensed to furnish at least one category of the pertinent professional services, and (ii) the ownership interests are not directly issued to anyone other than professionals licensed to furnish at least one category of the pertinent professional services; and

(6) sole ownership by a surviving spouse of a deceased professional who was the sole owner of the professional firm at the time of the professional's death, but only during the period of time ending one year after the death of the professional.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to surviving spouses of professionals who die on or after that date.

Sec. 6. Minnesota Statutes 2008, section 319B.08, is amended to read:

319B.08 EFFECT OF DEATH OR DISQUALIFICATION OF OWNER.

Subdivision 1. **Acquisition of interests or automatic loss of professional firm status.** (a) If an owner dies or becomes disqualified to practice all the pertinent professional services, then either:

(1) within 90 days after the death or the beginning of the disqualification, all of that owner's ownership interest must be acquired by the professional firm, by persons permitted by section 319B.07 to own the ownership interest, or by some combination; or

(2) at the end of the 90-day period, the firm's election under section 319B.03, subdivision 2, or 319B.04, subdivision 2, is automatically rescinded, the firm loses its status as a professional firm, and the authority created by that election and status terminates.

An acquisition satisfies clause (1) if all right and title to the deceased or disqualified owner's interest are acquired before the end of the 90-day period, even if some or all of the consideration is paid after the end of the 90-day period. However, payment cannot be secured in any way that violates sections 319B.01 to 319B.12.

(b) If automatic rescission does occur under paragraph (a), the firm must immediately and accordingly update its organizational document, certificate of authority, or statement of foreign qualification. Even without that updating, however, the rescission, loss of status, and termination of authority provided by paragraph (a) occur automatically at the end of the 90-day period.

Subd. 2. **Terms of acquisition.** (a) If:

(1) an owner dies or becomes disqualified to practice all the pertinent professional services;

(2) the professional firm has in effect a mechanism, valid according to the professional firm's generally applicable governing law, to effect a purchase of the deceased or disqualified owner's ownership interest so as to satisfy subdivision 1, paragraph (a), clause (1); and

(3) the professional firm does not agree with the disqualified owner or the representative of the deceased owner to set aside the mechanism,

then that mechanism applies.

(b) If:

(1) an owner dies or becomes disqualified to practice all the pertinent professional services;

(2) the professional firm has in effect no mechanism as described in paragraph (a), or has agreed as mentioned in paragraph (a), clause (3), to set aside that mechanism; and

(3) consistent with its generally applicable governing law, the professional firm agrees with the disqualified owner or the representative of the deceased owner, before the end of the 90-day period, to an arrangement to effect a purchase of the deceased or disqualified owner's ownership interest so as to satisfy subdivision 1, paragraph (a), clause (1),

then that arrangement applies.

(c) If:

(1) an owner of a Minnesota professional firm dies or becomes disqualified to practice all the pertinent professional services;

(2) the Minnesota professional firm does not have in effect a mechanism as described in paragraph (a);

(3) the Minnesota professional firm does not make an arrangement as described in paragraph (b); and

(4) no provision or tenet of the Minnesota professional firm's generally applicable governing law and no provision of any document or agreement authorized by the Minnesota professional firm's generally applicable governing law expressly precludes an acquisition under this paragraph,

then the firm may acquire the deceased or disqualified owner's ownership interest as stated in this paragraph. To act under this paragraph, the Minnesota professional firm must within 90 days after the death or beginning of the disqualification tender to the representative of the deceased owner's estate or to the disqualified owner the fair value of the owner's ownership interest, as determined by the Minnesota professional firm's governance authority. That price must be at least the book value, as determined in accordance with the Minnesota professional firm's regular method of accounting, as of the end of the month immediately preceding the death or loss of license. The tender must be unconditional and may not attempt to have the recipient waive any rights provided in this section. If the Minnesota professional firm tenders a price under this paragraph within the 90-day period, the deceased or disqualified owner's ownership interest immediately transfers to the Minnesota professional firm regardless of any dispute as to the fairness of the price. A disqualified owner or representative of the deceased owner's estate who disputes the fairness of the tendered price may take the tendered price and bring suit in district court seeking additional payment. The suit must be commenced within one year after the payment is tendered. A Minnesota professional firm may agree with a disqualified owner or the representative of a deceased owner's estate to delay all or part of the payment due under this paragraph, but all right and title to the owner's ownership interests must be acquired before the end of the 90-day period and payment may not be secured in any way that violates sections 319B.01 to 319B.12.

Subd. 3. Expiration of firm-issued option on death or disqualification of holder. If the holder of an option issued under section 319B.07, subdivision 3, paragraph (a), clause (1), dies or becomes disqualified, the option automatically expires.

Subd. 4. One-year period for surviving spouse of sole owner. For purposes of this section, each mention of "90 days," "90-day period," or similar term shall be interpreted as one year after the death of a professional who was the sole owner of the professional firm if the surviving spouse of the deceased professional owns and controls the firm after the death.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to surviving spouses of professionals who die on or after that date.

Sec. 7. Minnesota Statutes 2008, section 319B.09, subdivision 1, is amended to read:

Subdivision 1. **Governance authority.** (a) Except as stated in paragraph (b), a professional firm's governance authority must rest with:

(1) one or more professionals, each of whom is licensed to furnish at least one category of the pertinent professional services; or

(2) a surviving spouse of a deceased professional who was the sole owner of the professional firm, while the surviving spouse owns and controls the firm, but only during the period of time ending one year after the death of the professional.

(b) In a Minnesota professional firm organized under chapter 317A and in a foreign professional firm organized under the nonprofit corporation statute of another state, at least one individual possessing governance authority must be a professional licensed to furnish at least one category of the pertinent professional services.

(c) Individuals who possess governance authority within a professional firm may delegate administrative and operational matters to others. No decision entailing the exercise of professional judgment may be delegated or assigned to anyone who is not a professional licensed to practice the professional services involved in the decision.

(d) An individual whose license to practice any pertinent professional services is revoked or suspended may not, during the time the revocation or suspension is in effect, possess or exercise governance authority, hold a position with governance authority, or take part in any decision or other action constituting an exercise of governance authority. Nothing in this chapter prevents a board from further terminating, restricting, limiting, qualifying, or imposing conditions on an individual's governance role as board disciplinary action.

(e) A professional firm owned and controlled by a surviving spouse must comply with all requirements of this chapter, except those clearly inapplicable to a firm owned and governed by a surviving spouse who is not a professional of the same type as the surviving spouse's decedent.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to surviving spouses of professionals who die on or after that date.

Delete the title and insert:

"A bill for an act relating to commerce; prohibiting certain claims processing practices by third-party administrators of health coverage plans; regulating health claims clearinghouses; providing a time limit on insurers of audits of health claims payments; permitting a deceased professional's surviving spouse to retain ownership of a professional firm that was solely owned by the decedent for up to one year after the death; amending Minnesota Statutes 2008, sections 60A.23, subdivision 8; 319B.02, by adding a subdivision; 319B.07, subdivision 1; 319B.08; 319B.09, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 62Q."

With the recommendation that when so amended the bill pass.

The report was adopted.

Hornstein from the Transportation and Transit Policy and Oversight Division to which was referred:

H. F. No. 1421, A bill for an act relating to traffic regulations; amending provisions related to speed limits; amending Minnesota Statutes 2008, sections 169.011, subdivisions 64, 90, by adding a subdivision; 169.14, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 169.011, subdivision 64, is amended to read:

Subd. 64. **Residential roadway.** "Residential roadway" means a city street or portion of a street town road that is less than one-half mile in total length and is functionally classified as a local street by the road authority having jurisdiction.

Sec. 2. Minnesota Statutes 2008, section 169.011, is amended by adding a subdivision to read:

Subd. 69a. **Rural residential district.** (a) "Rural residential district" means the territory contiguous to and including any city street or town road that is built up with visible dwelling houses situated at intervals averaging 300 feet or less for a distance of a quarter of a mile or more.

(b) For purposes of this subdivision, "interval" means the distance, measured along the centerline of the roadway, between the primary access points for adjacent dwelling houses, regardless of whether the dwelling houses are located on the same side of the road.

Sec. 3. Minnesota Statutes 2008, section 169.011, subdivision 90, is amended to read:

Subd. 90. **Urban district.** "Urban district" means the territory contiguous to and including any city street which or town road that is built up with structures devoted to business, industry, or dwelling houses situated at intervals of less than 100 feet for a distance of a quarter of a mile or more.

Sec. 4. Minnesota Statutes 2008, section 169.14, subdivision 2, is amended to read:

Subd. 2. **Speed limits.** (a) Where no special hazard exists the following speeds shall be lawful, but any speeds in excess of such limits shall be prima facie evidence that the speed is not reasonable or prudent and that it is unlawful; except that the speed limit within any municipality shall be a maximum limit and any speed in excess thereof shall be unlawful:

- (1) 30 miles per hour in an urban district ~~or on a town road in a rural residential district;~~
- (2) 65 miles per hour on noninterstate expressways, as defined in section 160.02, subdivision 18b, and noninterstate freeways, as defined in section 160.02, subdivision 19;
- (3) 55 miles per hour in locations other than those specified in this section;
- (4) 70 miles per hour on interstate highways outside the limits of any urbanized area with a population of greater than 50,000 as defined by order of the commissioner of transportation;
- (5) 65 miles per hour on interstate highways inside the limits of any urbanized area with a population of greater than 50,000 as defined by order of the commissioner of transportation;

(6) ten miles per hour in alleys; ~~and~~

(7) 25 miles per hour in residential roadways if adopted by the road authority having jurisdiction over the residential roadway; and

(8) 35 miles per hour in a rural residential district if adopted by the road authority having jurisdiction over the rural residential district.

(b) A speed limit adopted under paragraph (a), clause (7), is not effective unless the road authority has erected signs designating the speed limit and indicating the beginning and end of the residential roadway on which the speed limit applies.

~~(c) For purposes of this subdivision, "rural residential district" means the territory contiguous to and including any town road within a subdivision or plat of land that is built up with dwelling houses at intervals of less than 300 feet for a distance of one quarter mile or more. A speed limit adopted under paragraph (a), clause (8), is not effective unless the road authority has erected signs designating the speed limit and indicating the beginning and end of the rural residential district for the roadway on which the speed limit applies.~~

(d) Notwithstanding section 609.0331 or 609.101 or other law to the contrary, a person who violates a speed limit established in this subdivision, or a speed limit designated on an appropriate sign under subdivision 4, 5, 5b, 5c, or 5e, by driving 20 miles per hour or more in excess of the applicable speed limit, is assessed an additional surcharge equal to the amount of the fine imposed for the speed violation, but not less than \$25.

Sec. 5. Minnesota Statutes 2008, section 169.14, is amended by adding a subdivision to read:

Subd. 5f. **Speed limits on certain rural residential districts.** (a) A rural residential district existing and lawfully signed before August 1, 2009, continues to qualify as a rural residential district.

(b) A rural residential district existing and lawfully signed before August 1, 2009, is subject to the speed limit signed before August 1, 2009.

EFFECTIVE DATE. This section is effective August 1, 2009. Paragraph (b) expires when the speed limit signs erected before August 1, 2009, are replaced."

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

Atkins from the Committee on Commerce and Labor to which was referred:

H. F. No. 1476, A bill for an act relating to alcohol; allowing exclusive liquor stores to sell multiple use bags; amending Minnesota Statutes 2008, section 340A.412, subdivision 14.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 340A.101, is amended by adding a subdivision to read:

Subd. 31. **Public facility.** "Public facility" is a park, community center, or other accommodation or facility owned or managed by or on behalf of a subdivision of the state, including any county, city, town, township, or independent district of the state.

Sec. 2. Minnesota Statutes 2008, section 340A.401, is amended to read:

340A.401 LICENSE REQUIRED.

Except as provided in this chapter, no person may directly or indirectly, on any pretense or by any device, sell, barter, keep for sale, charge for possession, or otherwise dispose of alcoholic beverages as part of a commercial transaction without having obtained the required license or permit. Rental of or permission to use a public facility is not a commercial transaction for the purposes of this chapter.

Sec. 3. Minnesota Statutes 2008, section 340A.404, subdivision 1, is amended to read:

Subdivision 1. **Cities.** (a) A city may issue an on-sale intoxicating liquor license to the following establishments located within its jurisdiction:

(1) hotels;

(2) restaurants;

(3) bowling centers;

(4) clubs or congressionally chartered veterans organizations with the approval of the commissioner, provided that the organization has been in existence for at least three years and liquor sales will only be to members and bona fide guests, except that a club may conduct wine tastings as allowed under section 340A.419, subdivision 2;

(5) sports facilities located on land owned by the Metropolitan Sports Commission; and

(6) exclusive liquor stores.

(b) A city may issue an on-sale intoxicating liquor license, an on-sale wine license, or an on-sale malt liquor license to a theater within the city, notwithstanding any law, local ordinance, or charter provision. A license issued under this paragraph authorizes sales on all days of the week to persons attending events at the theater.

(c) For the purposes of chapter 340A only, a city may issue an on-sale intoxicating liquor license, an on-sale wine license, or an on-sale malt liquor license to a convention center within the city, notwithstanding any law, local ordinance, or charter provision. A license issued under this paragraph authorizes sales on all days of the week to persons attending events at the convention center. This does not apply to convention centers in the seven-county metro area.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 4. Minnesota Statutes 2008, section 340A.404, subdivision 4, is amended to read:

Subd. 4. **Special provisions; sports, conventions, or cultural facilities; community festivals.** (a) The governing body of a municipality may authorize a holder of a retail on-sale intoxicating liquor license issued by the municipality or by an adjacent municipality to dispense intoxicating liquor at any convention, banquet, conference, meeting, or social affair conducted on the premises of a sports, convention, or cultural facility owned by the municipality or instrumentality thereof having independent policy-making and appropriating authority and located within the municipality. The licensee must be engaged to dispense intoxicating liquor at an event held by a person or organization permitted to use the premises, and may dispense intoxicating liquor only to persons attending the event. The licensee may not dispense intoxicating liquor to any person attending or participating in ~~an~~ a youth amateur athletic event, for persons 18 years of age or younger, held on the premises.

(b) The governing body of a municipality may authorize a holder of a retail on-sale intoxicating liquor license issued by the municipality to dispense intoxicating liquor off premises at a community festival held within the municipality. The authorization shall specify the area in which the intoxicating liquor must be dispensed and consumed, and shall not be issued unless the licensee demonstrates that it has liability insurance as prescribed by section 340A.409 to cover the event.

Sec. 5. Minnesota Statutes 2008, section 340A.404, subdivision 4a, is amended to read:

Subd. 4a. **State-owned recreation; entertainment facilities.** Notwithstanding any other law, local ordinance, or charter provision, the commissioner may issue on-sale intoxicating liquor licenses:

(1) to the state agency administratively responsible for, or to an entity holding a concession or facility management contract with such agency for beverage sales at, the premises of any Giants Ridge Recreation Area building or recreational improvement area owned by the state in the town of White, St. Louis County;

(2) to the state agency administratively responsible for, or to an entity holding a concession or facility management contract with such agency for beverage sales at, the premises of any Ironworld Discovery Center building or facility owned by the state at Chisholm; ~~and~~

(3) to the Board of Regents of the University of Minnesota for events at Northrop Auditorium, the intercollegiate football stadium, or at no more than seven other locations within the boundaries of the University of Minnesota, provided that the Board of Regents has approved an application for a license for the specified location; and

(4) to the Duluth Entertainment and Convention Center Authority for beverage sales on the premises of the Duluth Entertainment and Convention Center Arena during intercollegiate hockey games.

The commissioner shall charge a fee for licenses issued under this subdivision in an amount comparable to the fee for comparable licenses issued in surrounding cities.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 6. Minnesota Statutes 2008, section 340A.412, subdivision 14, is amended to read:

Subd. 14. **Exclusive liquor stores.** (a) Except as otherwise provided in this subdivision, an exclusive liquor store may sell only the following items:

(1) alcoholic beverages;

(2) tobacco products;

- (3) ice;
 - (4) beverages, either liquid or powder, specifically designated for mixing with intoxicating liquor;
 - (5) soft drinks;
 - (6) liqueur-filled candies;
 - (7) food products that contain more than one-half of one percent alcohol by volume;
 - (8) cork extraction devices;
 - (9) books and videos on the use of alcoholic beverages;
 - (10) magazines and other publications published primarily for information and education on alcoholic beverages;
- ~~and~~
- (11) multiple use bags designed to carry purchased items;
 - (12) devices designed to ensure safe storage and monitoring of alcohol in the home, to prevent access by underage drinkers; and
 - ~~(13)~~ (13) home brewing equipment.

(b) An exclusive liquor store that has an on-sale, or combination on-sale and off-sale license may sell food for on-premise consumption when authorized by the municipality issuing the license.

(c) An exclusive liquor store may offer live or recorded entertainment.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 7. Minnesota Statutes 2008, section 340A.414, subdivision 1, is amended to read:

Subdivision 1. **Permit required.** No business establishment or club which does not hold an on-sale intoxicating liquor license may directly or indirectly allow the consumption and display of alcoholic beverages or knowingly serve any liquid for the purpose of mixing with intoxicating liquor without first having obtained a permit from the commissioner. Rental of a public facility does not make a subdivision or the facility a "business establishment" for the purposes of this chapter.

Sec. 8. Minnesota Statutes 2008, section 340A.417, is amended to read:

340A.417 SHIPMENTS INTO MINNESOTA.

(a) Notwithstanding section 297G.07, subdivision 2, or any provision of this chapter, a winery licensed in a state other than Minnesota, or a winery located in Minnesota, may ship, for personal use and not for resale, not more than two cases of wine, containing a maximum of nine liters per case, in any calendar year to any resident of Minnesota age 21 or over. Delivery of a shipment under this section may not be deemed a sale in this state.

(b) The shipping container of any wine sent under this section must be clearly marked "Alcoholic Beverages: adult signature (over 21 years of age) required."

~~(c) No person may (1) advertise shipments authorized under this section, (2) by advertisement or otherwise, solicit shipments authorized by this section, or (3) accept orders for shipments authorized by this section by use of the Internet. No shipper located outside Minnesota may advertise interstate reciprocal wine shipments in Minnesota.~~

~~(d)~~ It is not the intent of this section to impair the distribution of wine through distributors or importing distributors, but only to permit shipments of wine for personal use.

~~(e)~~ ~~(d)~~ No criminal penalty may be imposed on a person for a violation of this section other than a violation described in paragraph ~~(f)~~ ~~(e)~~ or ~~(g)~~ ~~(f)~~. Whenever it appears to the commissioner that any person has engaged in any act or practice constituting a violation of this section, and the violation is not within two years of any previous violation of this section, the commissioner shall issue and cause to be served upon the person an order requiring the person to cease and desist from violating this section. The order must give reasonable notice of the rights of the person to request a hearing and must state the reason for the entry of the order. Unless otherwise agreed between the parties, a hearing shall be held not later than seven days after the request for the hearing is received by the commissioner after which and within 20 days after the receipt of the administrative law judge's report and subsequent exceptions and argument, the commissioner shall issue an order vacating the cease and desist order, modifying it, or making it permanent as the facts require. If no hearing is requested within 30 days of the service of the order, the order becomes final and remains in effect until modified or vacated by the commissioner. All hearings shall be conducted in accordance with the provisions of chapter 14. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against the person upon consideration of the cease and desist order, the allegations of which may be deemed to be true.

~~(f)~~ ~~(e)~~ Any person who violates this section within two years of a violation for which a cease and desist order was issued under paragraph ~~(e)~~ ~~(d)~~, is guilty of a misdemeanor.

~~(g)~~ ~~(f)~~ Any person who commits a third or subsequent violation of this section, ~~including a violation for which a cease and desist order was issued under paragraph (e)~~, within any subsequent two-year period is guilty of a gross misdemeanor.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 9. Minnesota Statutes 2008, section 340A.419, subdivision 2, is amended to read:

Subd. 2. **Tastings.** (a) Notwithstanding any other law, an exclusive liquor store may conduct a wine tasting on the premises of a holder of an on-sale intoxicating liquor license, including on the premises of a club holding a license under 340A.404, subdivision 1, paragraph (a), clause (4), or on the premises of a holder of a wine license under section 340A.404, subdivision 5, that is not a temporary license if the exclusive liquor store complies with this section.

(b) No wine at a wine tasting under this section may be sold for off-premises consumption. A participant in the tasting may fill out a form indicating preferences for wine. The form may be held on the premises of the exclusive liquor store to assist the participant in making an off-sale purchase at a later date.

(c) Notwithstanding any other law, an exclusive liquor store may purchase or otherwise obtain wine for a wine tasting conducted under this section from a wholesaler licensed to sell wine. The wholesaler may sell or give wine to an exclusive liquor store for a wine tasting conducted under this section and may provide personnel to assist in the wine tasting.

(d) An exclusive liquor store that conducts a wine tasting under this section must use any fees collected from participants in the tasting only to defray the cost of conducting the tasting.

(e) The premises on which a tasting is conducted under this section must be insured as required by section 340A.409.

Sec. 10. **[340A.5041] AIRPORT COMMISSION; EXTENDED HOURS.**

Notwithstanding any law, rule, or ordinance to the contrary, the Metropolitan Airports Commission may allow extended hours of sale at on-sale locations within the security areas of the Lindbergh and Humphrey Terminals. Extended hours are allowed for sales during the hours between 6:00 a.m. and 2:00 a.m. Monday through Sunday.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 11. **AUGSBURG COLLEGE; ON-SALE LICENSE.**

Notwithstanding any other law, local ordinance, or charter provision, the city of Minneapolis may issue an on-sale intoxicating liquor license to Augsburg College, or to an entity holding a caterer's permit and a contract with Augsburg College, for catering on the premises of Augsburg College campus, or for any portion of the premises as described in the approved license application. The license authorized by this section may be issued for space that is not compact and contiguous, provided that all such space is within the boundaries of Augsburg College campus and is included in the description of the licensed premises on the approved license application. The license authorizes sales on all days of the week to persons attending events at the college. All other provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the license authorized under this section.

EFFECTIVE DATE. This section is effective upon approval by the Minneapolis City Council in the manner provided by Minnesota Statutes, section 645.021, notwithstanding Minnesota Statutes, section 645.023, subdivision 1, paragraph (a).

Sec. 12. **GRAND MARAIS; ON-SALE.**

Notwithstanding any law, local ordinance, or charter provision to the contrary, the city of Grand Marais may issue an on-sale intoxicating liquor license, or an on-sale wine license and an on-sale malt liquor license, to Holland Motel, Inc. d/b/a the Best Western Superior Inn and Suites located at 104 First Avenue East, Grand Marais, and an additional on-sale intoxicating liquor license, or on-sale wine and on-sale malt liquor license to East Bay Hospitality, LLC; d/b/a East Bay Suites located at 21 Wisconsin Street, Grand Marais. The license may authorize sales only to persons who are registered guests at the lodging establishment, their invitees, or persons attending a conference, meeting, or other event at the lodging establishment. The license may authorize sales on all days of the week.

EFFECTIVE DATE. This section is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to liquor; modifying and clarifying certain licensing requirements; authorizing various licenses; modifying provision relating to shipments into the state; providing for wine tastings; extending certain on-sale hours; amending Minnesota Statutes 2008, sections 340A.101, by adding a subdivision; 340A.401; 340A.404, subdivisions 1, 4, 4a; 340A.412, subdivision 14; 340A.414, subdivision 1; 340A.417; 340A.419, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 340A."

With the recommendation that when so amended the bill pass.

The report was adopted.

Atkins from the Committee on Commerce and Labor to which was referred:

H. F. No. 1512, A bill for an act relating to lawful gambling; providing for electronic bingo; modifying pull-tab dispensing devices; making clarifying and conforming changes; amending Minnesota Statutes 2008, sections 349.12, subdivisions 5, 12a, 18, 25b, 25c, 25d; 349.151, subdivisions 4b, 4c; 349.16, subdivision 7; 349.1635, subdivision 1; 349.17, subdivisions 6, 7, 8; 349.18, subdivision 1; 349.211, subdivision 1a.

Reported the same back with the following amendments:

Page 2, delete section 7

Page 5, line 12, delete "on-sales" and insert "on-sale or off-sale"

Page 5, line 13, after "beverages" insert "except that stationary electronic bingo may not be allowed at a licensee for a general foods store or drug store permitted to operate under section 340A.405, subdivision 1"

Page 5, line 14, delete "19" and insert "18"

Page 7, lines 3 to 5, delete the new language and insert ", except as allowed under section 349.185"

Page 7, after line 31, insert:

"Sec. 14. **[349.185] GROSS PROFIT ALLOCATION; STATIONARY ELECTRONIC BINGO.**

Subdivision 1. **Definition.** For the purposes of this section, a "year" is determined to start on the first date of operation of a stationary electronic bingo device at a permitted premises.

Subd. 2. **Gross profit allocation.** The allocation of gross profits from the operation of a stationary electronic bingo device is as follows:

(a) The licensed organization shall receive:

(1) a minimum of 50 percent of gross profits to be used exclusively for lawful purpose expenditures as defined under section 349.12, subdivision 25; and

(2) no more than 15 percent each year for allowable expenses as defined under section 349.12, subdivision 3a, including the cost of a lease or purchase of the stationary electronic bingo devices.

(b) A linked bingo game provider shall receive no more than 25 percent of gross profits in the first year, no more than 19 percent in the second year, and no more than 15 percent thereafter.

(c) When a stationary electronic bingo device is placed in a location where the primary business is not bingo, the allocation for rent to the lessor shall be no more than ten percent of gross profits in the first year, no more than 16 percent in the second year, and no more than 20 percent thereafter. The lessor and the lessor's employees shall operate the devices on behalf of the licensed organization, and the lessor is responsible for cash shortages.

(d) When a stationary electronic bingo device is placed in a location where the primary business is bingo, the lessor is limited to the rent limitations under section 349.18, subdivision 1, paragraph (c), clause (1)."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "modifying pull-tab"

Page 1, line 3, delete "dispensing devices;"

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

Mullery from the Committee on Civil Justice to which was referred:

H. F. No. 1639, A bill for an act relating to human services; modifying provisions relating to the Minnesota sex offender program; creating additional oversight to the Minnesota sex offender program; creating a client grievance process; allowing access to the statewide supervision system; making changes to the vocational work program; amending Minnesota Statutes 2008, sections 16C.10, subdivision 5; 168.012, subdivision 1; 246B.01, by adding subdivisions; 246B.02; 246B.03; 246B.05; 246B.06; 609.485, subdivisions 2, 4.

Reported the same back with the following amendments:

Page 4, line 28, delete "Client" and insert "Civilly committed sex offender" and delete ""Client"" and insert ""Civilly committed sex offender""

Page 5, lines 4 and 21, delete "clients" and insert "civilly committed sex offenders"

Page 5, line 5, delete "client" and insert "civilly committed sex offender"

Page 6, lines 5 and 12, delete "clients" and insert "civilly committed sex offenders"

Page 6, lines 21, 22, 23, 24, and 29, delete "client" and insert "civilly committed sex offender"

Page 6, line 27, delete "Client" and insert "Civilly committed sex offender"

Page 6, line 30, delete "client's" and insert "civilly committed sex offender's"

Page 6, line 33, delete "client" and insert "civilly committed sex offender" in both places

Page 7, line 33, delete "clients" and insert "civilly committed sex offenders"

Page 8, lines 1, 9, 19, and 25, delete "clients" and insert "civilly committed sex offenders"

Page 8, line 23, delete "client" and insert "civilly committed sex offender"

Page 9, line 5, delete "client" and insert "civilly committed sex offender"

Page 10, line 19, delete "clients" and insert "civilly committed sex offenders"

Page 10, lines 20, 30, and 31, delete "client" and insert "civilly committed sex offender"

Page 10, line 23, delete "clients" and insert "civilly committed sex offenders" and delete "Clients" and insert "Civilly committed sex offenders"

Page 11, lines 21 and 24, delete "client" and insert "civilly committed sex offender"

Amend the title as follows:

Page 1, line 4, delete "client" and insert "civilly committed sex offender"

With the recommendation that when so amended the bill pass.

The report was adopted.

Mullery from the Committee on Civil Justice to which was referred:

H. F. No. 1677, A bill for an act relating to the safe at home program; specifying applicability; eliminating certain persons from eligibility; providing a remedy for violation or refusal to recognize a designated address; prohibiting public release of certain court records; amending Minnesota Statutes 2008, sections 5B.01; 5B.02; 5B.07, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 5B.

Reported the same back with the following amendments:

Page 1, line 19, delete "supercede" and insert "supersede" and delete ", charter"

Page 1, line 20, delete "provision, rule, or other law" and delete "release or"

Page 2, delete section 3

Page 3, delete section 4

Page 3, delete section 5 and insert:

"Sec. 3. **EFFECTIVE DATE.**

This act is effective the day following final enactment."

Correct the title numbers accordingly

Amend the title as follows:

Page 1, line 3, delete everything after the semicolon

Page 1, delete line 4

With the recommendation that when so amended the bill pass.

The report was adopted.

Slawik from the Early Childhood Finance and Policy Division to which was referred:

H. F. No. 1728, A bill for an act relating to human services; amending child care programs, program integrity, adult supports including general assistance medical care and group residential housing, and Minnesota family investment program; utilizing home visitors as MFIP employment and training service providers; amending Minnesota Statutes 2008, sections 119B.011, subdivision 3; 119B.08, subdivision 2; 119B.09, subdivision 1; 119B.12, subdivision 1; 119B.13, subdivision 6; 119B.15; 119B.231, subdivision 3; 145A.17, by adding a subdivision; 256.014, subdivision 1; 256.0471, subdivision 1, by adding a subdivision; 256D.01, subdivision 1b; 256D.44, subdivision 3; 256I.04, subdivisions 2a, 3; 256I.05, subdivision 1k; 256J.24, subdivision 5; 256J.425, subdivisions 2, 3; 256J.49, subdivisions 1, 4; 256J.521, subdivision 2; 256J.545; 256J.561, subdivision 2; 256J.575, subdivision 3; 256J.626, subdivision 7; 256J.95, subdivisions 11, 13.

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

The report was adopted.

Slawik from the Early Childhood Finance and Policy Division to which was referred:

H. F. No. 1750, A bill for an act relating to human services; making changes to data practices and licensing provisions; modifying license disqualifications and background study requirements; making other changes to programs and services licensed by the Department of Human Services; amending Minnesota Statutes 2008, sections 13.46, subdivisions 3, 4; 157.16, by adding a subdivision; 245.4871, subdivision 10; 245A.03, subdivision 2; 245A.04, subdivisions 5, 7; 245A.05; 245A.07, subdivisions 1, 3; 245A.11, by adding a subdivision; 245A.1435; 245A.144; 245A.1444; 245A.16, subdivision 1; 245A.40, subdivision 5; 245A.50, subdivision 5; 245C.03, subdivision 1; 245C.04, subdivision 1; 245C.07; 245C.08; 245C.13, subdivision 2; 245C.15, subdivisions 1, 2, 3, 4; 245C.22, subdivision 7; 245C.24, subdivisions 2, 3; 245C.25; 245C.27, subdivision 1; 256.045, subdivisions 3, 3b; 256B.0943, subdivisions 4, 6, 9; 626.556, subdivisions 2, 10e, 10f; 626.557, subdivisions 9c, 12b; 626.5572, subdivision 13; proposing coding for new law in Minnesota Statutes, chapter 256; repealing Minnesota Statutes 2008, section 245C.10, subdivision 1.

Reported the same back with the following amendments:

Page 1, delete article 1

Page 6, delete lines 8 and 9

Page 8, line 4, strike the second comma and insert "; YMCA as defined in section 315.44; YWCA as defined in section 315.44; or JCC as defined in section 315.51."

Page 9, line 2, delete "or"

Page 9, line 9, strike the period and insert "; or"

Page 9, after line 9, insert:

"(28) a program serving only children who are age 33 months or older, that is operated by a nonpublic school, for no more than four hours per day per child, with no more than 20 children at any one time, and that is accredited by:

(i) an accrediting agency that is formally recognized by the commissioner of education as a nonpublic school accrediting organization; or

(ii) an accrediting agency that requires background studies and that receives and investigates complaints about the services provided.

A program that asserts its exemption from licensure under item (ii) shall, upon request from the commissioner, provide the commissioner with documentation from the accrediting agency that verifies: that the accreditation is current; that the accrediting agency investigates complaints about services; and that the accrediting agency's standards require background studies on all people providing direct contact services."

Page 9, after line 16, insert:

"Sec. 4. Minnesota Statutes 2008, section 245A.03, is amended by adding a subdivision to read:

Subd. 7. **Excluded providers seeking licensure.** Nothing in this section shall prohibit a program that is excluded from licensure under subdivision 2, paragraph (a), clause (28), from seeking licensure. The commissioner shall ensure that any application received from such an excluded provider is processed in the same manner as all other applications for child care center licensure."

Page 24, delete section 19

Page 33, delete section 25

Page 57, delete section 40

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "data practices and"

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

Mariani from the Committee on K-12 Education Policy and Oversight to which was referred:

H. F. No. 2051, A bill for an act relating to education; modifying integration revenue provisions; amending Minnesota Statutes 2008, sections 124D.86; 124D.896.

Reported the same back with the following amendments:

Page 2, line 2, delete "or" and insert "and"

Page 3, line 11, strike "\$92" and insert "\$445"

Page 3, line 23, delete "adequate" and insert "sufficient"

Page 3, line 28, strike "37 percent for"

Page 3, line 29, strike everything before "30" and strike "for fiscal year 2005"

Page 3, line 30, strike "and thereafter" and delete the new language

Page 3, line 31, delete the new language

Page 4, line 32, delete "continuing current" and insert "addressing"

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

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 2073, A bill for an act relating to education finance; removing an obsolete reference; amending Minnesota Statutes 2008, section 126C.10, subdivision 1.

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

The report was adopted.

Atkins from the Committee on Commerce and Labor to which was referred:

H. F. No. 2099, A bill for an act relating to commerce; providing for the licensing and regulation of certain persons; establishing prelicense and continuing education requirements; amending Minnesota Statutes 2008, sections 45.22; 45.23; 60K.31, by adding a subdivision; 60K.36, subdivision 4, by adding a subdivision; 60K.37, by adding a subdivision; 60K.55, subdivision 2; 60K.56; 72B.02, subdivisions 2, 5, 11, by adding subdivisions; 72B.03; 72B.05; 72B.06; 72B.08, subdivisions 1, 2, 4; 72B.135, subdivisions 1, 2, 3; 82.32; 82B.05, subdivision 1; 82B.08, by adding subdivisions; 82B.09, by adding a subdivision; 82B.10; 82B.13, subdivisions 4, 5, 6; 82B.19, subdivisions 1, 2; 82B.20, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 45; 60K; 72B; 82; 82B; repealing Minnesota Statutes 2008, sections 72B.02, subdivision 12; 72B.04; 82B.02; Minnesota Rules, parts 2808.0100; 2808.1000; 2808.1100; 2808.1200; 2808.1300; 2808.1400; 2808.1500; 2808.1600; 2808.1700; 2808.2000; 2808.2100; 2808.6000; 2808.7000; 2808.7100; 2809.0010; 2809.0020; 2809.0030; 2809.0040; 2809.0050; 2809.0060; 2809.0070; 2809.0080; 2809.0090; 2809.0100; 2809.0110; 2809.0120; 2809.0130; 2809.0140; 2809.0150; 2809.0160; 2809.0170; 2809.0180; 2809.0190; 2809.0200; 2809.0210; 2809.0220.

Reported the same back with the following amendments:

Page 1, line 26, strike "Minnesota Rules, chapter 2809" and insert "this chapter"

Page 5, line 15, after "deliver" insert "(1) independently, or (2) as part of a team presentation in a course of two hours or less,"

Page 6, line 6, delete "the" and insert "a qualified"

Page 6, line 8, after the period, insert:

"For the purposes of this section, a "qualified provider" is one of the following:

(1) a degree-granting institution of higher learning located within this state;

(2) a private school licensed by the Minnesota Office of Higher Education; or

(3) when conducting courses for its members, a bona fide trade association that staffs and maintains in this state a physical location that contains course and student records and that has done so for not less than three years."

Page 6, after line 12, insert:

"Individuals wishing to receive credit for continuing education courses that have not been previously approved may submit the course information for approval. Courses must be in compliance with the laws and rules governing the types of courses that will and will not be approved."

Page 7, after line 4, insert:

"Subd. 3. **Academic credit Internet courses.** Subdivisions 1 and 2 do not apply to Internet prelicense courses offered for academic credit by an accredited college, community college, or university that offers distance education programs and is approved or accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the United States Secretary of Education.

Subd. 4. **Interactive Internet course requirements.** An interactive Internet prelicense education course must:

(1) specify the minimum system requirements;

(2) provide encryption that ensures that all personal information, including the student's name, address, and credit card number, cannot be read as it passes across the Internet;

(3) include technology to guarantee seat time;

(4) include a high level of interactivity;

(5) include graphics that reinforce the content;

(6) include the ability for the student to contact an instructor within a reasonable amount of time;

(7) include the ability for the student to get technical support within a reasonable amount of time;

(8) include a statement that the student's information will not be sold or distributed to any third party without prior written consent of the student. Taking the course does not constitute consent;

(9) be available 24 hours a day, seven days a week, excluding minimal down time for updating and administration;

(10) provide viewing access to the online course at all times to the commissioner, excluding minimal down time for updating and administration;

- (11) include a process to authenticate the student's identity;
- (12) inform the student and the commissioner how long after its purchase a course will be accessible;
- (13) inform the student that license education credit will not be awarded for taking the course after it loses its status as an approved course;
- (14) provide clear instructions on how to navigate through the course;
- (15) provide automatic bookmarking at any point in the course;
- (16) provide questions after each unit or chapter that must be answered before the student can proceed to the next unit or chapter;
- (17) include a reinforcement response when a quiz question is answered correctly;
- (18) include a response when a quiz question is answered incorrectly;
- (19) include a comprehensive final examination covering all required topics;
- (20) allow the student to go back and review any unit at any time, except during the final examination;
- (21) provide a course evaluation at the end of the course. At a minimum, the evaluation must ask the student to report any difficulties caused by the online education delivery method; and
- (22) provide a completion certificate when the course and exam have been completed and the provider has verified the completion. Electronic certificates are sufficient."

Page 7, line 5, delete "3" and insert "5"

Page 7, line 6, after "be" insert "monitored by a proctor who certifies that the student took the examination. The exam must be either" and delete "that is monitored by a proctor"

Page 7, line 7, delete everything before the period and insert "or an encrypted online examination"

Page 7, after line 10, insert:

"Subdivision 1. **Appraiser Internet continuing education courses.** The design and delivery of an appraiser continuing education course must be approved by the International Distance Education Certification Center (IDECC) before the course is submitted for the commissioner's approval."

Page 7, line 11, delete "Subdivision 1." and insert "Subd. 2."

Page 8, line 8, delete the third "any"

Page 8, line 9, delete "quizzes and"

Page 8, line 15, delete "2" and insert "3"

Page 10, line 14, after the period, insert "In the case of a self-study course, this requirement applies to the author of the course material."

Page 20, line 11, delete the new language

Page 20, line 13, after the period, insert "For the purposes of this subdivision, a course provided by a bona fide insurance trade association is not considered to be sponsored by, offered by, or affiliated with an insurance company or its agents."

Page 22, after line 11, insert:

"Sec. 34. Minnesota Statutes 2008, section 72B.02, subdivision 6, is amended to read:

Subd. 6. **Public adjuster.** "Public adjuster" means ~~an adjuster who hires out for employment by members of the public for a fee, commission or any other thing of value, and who, when so employed, acts solely to represent the interests of an insured named in an insurance policy.~~ any person who, for compensation or any other thing of value on behalf of the insured:

(1) acts or aids, solely in relation to first-party claims arising under insurance contracts that insure the real or personal property of the insured, on behalf of an insured in negotiating for, or effecting the settlement of, a claim for loss or damage covered by an insurance contract;

(2) advertises for employment as a public adjuster of insurance claims or solicits business or represents himself or herself to the public as a public adjuster of first-party insurance claims for losses or damages arising out of policies of insurance that insure real or personal property; or

(3) directly or indirectly solicits business, investigates or adjusts losses, or advises an insured about first-party claims for losses or damages arising out of policies of insurance that insure real or personal property for another person engaged in the business of adjusting losses or damages covered by an insurance policy, for the insured."

Page 23, lines 4, 7, and 8, delete "independent"

Page 23, line 6, delete "independent" in both places

Page 24, lines 12, 13, and 17, delete "independent"

Page 25, lines 8, 31, and 33, delete "independent"

Page 25, line 29, before "insurance" insert "public adjuster,"

Page 26, lines 1, 2, 5, 9, 10, and 30, delete "independent"

Page 26, line 28, delete "INDEPENDENT"

Page 27, lines 8, 21, and 31, delete "independent"

Page 27, line 28, before "adjuster" insert "or public"

Page 27, line 34, delete "insurance" and insert "independent or public"

Page 29, lines 1 and 5, before "adjuster" insert "or public"

Page 29, line 16, after "an" insert "independent" and delete "solicitor"

Page 29, lines 20, 22, 31, 32, and 33, delete "independent"

Page 30, line 34, delete "independent"

Page 31, lines 7, 21, 22, 28, 30, 34, and 35, delete "independent"

Page 32, lines 1, 2, 3, 4, 5, 6, 7, and 8, delete "independent"

Page 32, line 11, delete "independent" in both places

Page 33, line 21, delete "independent"

Page 36, line 16, delete "INDEPENDENT"

Page 36, lines 18, 19, 23, and 24, delete "independent"

Page 38, after line 2, insert:

"Sec. 57. **[72B.136] ESCROW OR TRUST ACCOUNTS.**

A public adjuster who receives, accepts, or holds any funds on behalf of an insured, towards the settlement of a claim for loss or damage, shall deposit the funds in a non-interest-bearing escrow or trust account in a financial institution that is insured by an agency of the federal government in the public adjuster's home state or where the loss occurred."

Page 38, after line 3, insert:

"Subdivision 1. **Prelicense education.** Prelicense education for a real estate salesperson must consist of Course I, Course II, and Course III as described in this section. Prelicense education for a real estate broker must consist of the broker course as described in this section."

Page 38, line 4, delete "Subdivision 1." and insert "Subd. 2."

Page 41, line 30, delete "2" and insert "3"

Page 42, line 22, delete "3" and insert "4"

Page 46, line 8, delete "4" and insert "5"

Page 61, line 9, before "familial" insert "sexual orientation."

Page 61, line 15, after the semicolon, insert "and"

Page 61, delete lines 16 to 18

Page 61, line 19, delete "(4)" and insert "(3)"

Page 62, delete lines 8 and 9 and insert "Sections 1 to 76 are effective July 1, 2010."

Renumber the sections in sequence and correct the internal references

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 2134, A bill for an act relating to capital improvements; appropriating money for asset preservation for various state agencies and higher education facilities; authorizing the sale and issuance of state bonds; proposing coding for new law in Minnesota Statutes, chapter 84.

Reported the same back with the following amendments:

Page 3, after line 35, insert:

"Sec. 3. APPROPRIATIONS MADE ONLY ONCE.

If the appropriations made in this bill are enacted more than once in the 2009 regular session, these appropriations must be given effect only once.

EFFECTIVE DATE. This section is effective the day following final enactment."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Ways and Means.

The report was adopted.

Atkins from the Committee on Commerce and Labor to which was referred:

H. F. No. 2163, A bill for an act relating to insurance; expanding the small employer health insurance market; creating a process for developing a standard application form for small employer health coverage; amending Minnesota Statutes 2008, section 62L.02, subdivision 26.

Reported the same back with the following amendments:

Page 2, line 25, after "develop" insert "and recommend to the legislature"

Page 2, line 27, after "coverage" insert "in the small employer market"

With the recommendation that when so amended the bill pass.

The report was adopted.

Pelowski from the Committee on State and Local Government Operations Reform, Technology and Elections to which was referred:

S. F. No. 237, A bill for an act relating to state government; designating the first Sunday in October as Minnesota Fallen Firefighters Memorial Day; proposing coding for new law in Minnesota Statutes, chapter 10.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Pelowski from the Committee on State and Local Government Operations Reform, Technology and Elections to which was referred:

S. F. No. 261, A bill for an act relating to real property; making clarifying, technical, and conforming changes to transfer on death deeds; expanding common element certificates of title to include planned communities; exempting designated transfers from certain requirements; establishing procedures for cartways in cities; modifying power of attorney provision relating to real property transactions; amending Minnesota Statutes 2008, sections 272.115, subdivision 1, by adding a subdivision; 435.37, by adding a subdivision; 507.071, subdivision 20, by adding a subdivision; 507.092, subdivisions 1, 2; 508.351; 508.50; 508A.351; 508A.50; 523.17, by adding a subdivision.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Pelowski from the Committee on State and Local Government Operations Reform, Technology and Elections to which was referred:

S. F. No. 423, A bill for an act relating to campaign finance; specifying certain items as noncampaign disbursements; amending Minnesota Statutes 2008, section 10A.01, subdivision 26.

Reported the same back with the following amendments:

Page 2, line 26, strike "and"

Page 2, after line 26, insert:

"(22) costs or fees, including processing, handling, or administrative fees, paid to a third party for receiving and processing contributions made online; and"

Page 2, line 27, strike "(22)" and insert "(23)"

With the recommendation that when so amended the bill pass.

The report was adopted.

Hilty from the Energy Finance and Policy Division to which was referred:

S. F. No. 656, A bill for an act relating to energy; directing Legislative Energy Commission to analyze state energy standards for certain appliances.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 116, 411, 612, 914, 925, 1301, 1322, 1345, 1421, 1476, 1512, 1639, 1677, 1750, 2099 and 2163 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 95, 208, 832, 1028, 237, 261 and 423 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Davids and Abeler introduced:

H. F. No. 2244, A bill for an act relating to professional corporations; permitting a deceased professional's surviving spouse to retain ownership of a professional firm that was solely owned by the decedent for up to one year after the death; amending Minnesota Statutes 2008, sections 319B.02, by adding a subdivision; 319B.07, subdivision 1; 319B.08; 319B.09, subdivision 1.

The bill was read for the first time and referred to the Committee on Civil Justice.

Bunn, Norton, Slawik, Ruud, Greiling, Simon and Lillie introduced:

H. F. No. 2245, A bill for an act relating to education; requiring a study by the commissioner of finance of inclusion of school district employees in the state employees group insurance plan.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Reinert introduced:

H. F. No. 2246, A bill for an act relating to dog parks; creating a dog park grant program; appropriating money; amending Minnesota Statutes 2008, section 85.019, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 85.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Hilstrom introduced:

H. F. No. 2247, A bill for an act relating to real estate; establishing homelessness prevention and safer homes and neighborhoods accounts; requiring a report; appropriating money; amending Minnesota Statutes 2008, section 82.50, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Finance.

Dill introduced:

H. F. No. 2248, A bill for an act relating to state government; appropriating money for environment and natural resources.

The bill was read for the first time and referred to the Committee on Finance.

Scalze, Laine, Mullery, Hausman, Mahoney, Lillie, Gardner, Mariani, Loeffler, Johnson, Kelliher, Hansen, Bunn, Greiling and Lenczewski introduced:

H. F. No. 2249, A bill for an act relating to natural resources; appropriating money for metropolitan regional parks.

The bill was read for the first time and referred to the Committee on Finance.

Murphy, M.; by request, introduced:

H. F. No. 2250, A bill for an act relating to liquor; authorizing Carlton County to issue a wine and malt liquor license in Thomson Township.

The bill was read for the first time and referred to the Committee on Commerce and Labor.

Solberg, Carlson and Kahn introduced:

H. F. No. 2251, A bill for an act relating to state government finance; providing federal stimulus oversight funding for certain state agencies; appropriating money.

The bill was read for the first time and referred to the Committee on Finance.

Dean introduced:

H. F. No. 2252, A bill for an act relating to highways; directing commissioner of transportation to construct paved apron at certain intersections; proposing coding for new law in Minnesota Statutes, chapter 161.

The bill was read for the first time and referred to the Committee on Finance.

Dill and Anzelc introduced:

H. F. No. 2253, A bill for an act relating to taxes; modifying provisions relating to lawful gambling taxes; amending Minnesota Statutes 2008, sections 297E.01, subdivisions 7, 8; 297E.02, subdivisions 1, 2, 3, 7, 10; 297E.13, subdivision 5; 349.12, subdivision 25; 349.19, subdivision 2; repealing Minnesota Statutes 2008, sections 297E.02, subdivisions 4, 6, 11; 349.15, subdivision 3; 349.19, subdivision 2a.

The bill was read for the first time and referred to the Committee on Taxes.

Doty introduced:

H. F. No. 2254, A bill for an act relating to taxation; city of Little Falls; extending its food and beverage tax; amending Laws 1996, chapter 471, article 2, section 30, subdivision 5.

The bill was read for the first time and referred to the Committee on Taxes.

Loeffler and Kahn introduced:

H. F. No. 2255, A bill for an act relating to capital investment; appropriating funds for a veterans memorial park on the Mississippi River in Minneapolis.

The bill was read for the first time and referred to the Committee on Finance.

Laine, Rukavina, Thao, Eken, Carlson, Sailer, Fritz and Mullery introduced:

H. F. No. 2256, A bill for an act relating to health; guaranteeing that all necessary health care is available and affordable for every Minnesotan; establishing the Minnesota Health Plan, Minnesota Health Board, Minnesota Health Fund, Office of Health Quality and Planning, ombudsman for patient advocacy, and inspector general for the Minnesota Health Plan; appropriating money; amending Minnesota Statutes 2008, sections 14.03, subdivisions 2, 3; 15A.0815, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 62V.

The bill was read for the first time and referred to the Committee on Health Care and Human Services Policy and Oversight.

Winkler, Kahn, Kelliher, Downey and Kiffmeyer introduced:

H. F. No. 2257, A bill for an act relating to state government; assigning duties relating to internal controls and internal auditing in state government; requiring a report; amending Minnesota Statutes 2008, section 16A.055, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 16A.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Thissen, Huntley, Davids, Solberg, Abeler, Thao, Swails, Laine, Ruud, Lillie, Loeffler and Fritz introduced:

H. F. No. 2258, A bill for an act relating to human services; requiring the commissioner of human services to implement a complementary and alternative medicine demonstration project to provide integrated services to state health care program enrollees with neck and back problems; requiring a report; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Finance.

Davids introduced:

H. F. No. 2259, A bill for an act relating to higher education; appropriating money for a grant to the city of Spring Grove to support an arts and education project.

The bill was read for the first time and referred to the Committee on Finance.

Clark introduced:

H. F. No. 2260, A bill for an act relating to cultural heritage; appropriating money for a cultural fitness and wellness center in the East Phillips Cultural and Community Center.

The bill was read for the first time and referred to the Committee on Finance.

Dettmer introduced:

H. F. No. 2261, A bill for an act relating to education; adjusting the burden of proof in special education due process hearings; amending Minnesota Statutes 2008, section 125A.091, subdivision 16.

The bill was read for the first time and referred to the Committee on K-12 Education Policy and Oversight.

Loeffler and Hansen introduced:

H. F. No. 2262, A bill for an act relating to natural resources; appropriating money for forest protection.

The bill was read for the first time and referred to the Committee on Finance.

Lenczewski introduced:

H. F. No. 2263, A bill for an act relating to taxation; corporate franchise, individual income, mining occupation, sales and use, and cigarette excise taxation; adopting the recommendations of the governor's 21st century tax commission; modifying tax bases, credits, and rates; repealing the corporate franchise tax; requiring reports; amending Minnesota Statutes 2008, sections 289A.18, subdivision 1; 289A.20, subdivision 1; 289A.30, subdivision 1; 289A.31, subdivision 1; 289A.38, subdivisions 7, 12; 289A.50, subdivision 1; 289A.60, subdivisions 1, 4; 290.01, subdivisions 19, 19a, 19b, 19f, 22, 29, 31; 290.03; 290.04, subdivision 1; 290.06, subdivision 33, by adding a subdivision; 290.068, subdivisions 1, 3, 4, by adding a subdivision; 290.0922, subdivision 1; 290.095, subdivision 3; 290.17, subdivisions 1, 4; 290.191, subdivision 4; 290.32; 290.36; 297A.61, subdivision 3; 297A.62, subdivision 1;

297A.67, subdivision 7; 297A.68, subdivisions 2, 5, 10, by adding a subdivision; 297A.75, subdivision 1; 297F.05, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 116J; 270C; 297I; repealing Minnesota Statutes 2008, sections 289A.08, subdivision 3; 289A.19, subdivision 2; 289A.26; 290.01, subdivisions 5, 5a, 6b, 19c, 19d, 19e; 290.014, subdivision 5; 290.02; 290.06, subdivisions 1, 24, 27; 290.0921, subdivisions 1, 2, 3, 3a, 4, 6, 7, 8; 290.21, subdivisions 1, 4; 290.34, subdivisions 1, 2; 290.371, subdivisions 1, 2, 3, 4; 290.432; 297A.67, subdivisions 8, 9, 10, 13, 13a, 14, 16, 17, 18, 19, 21, 27, 29; 297A.70, subdivisions 10, 12; 298.01, subdivisions 3, 3a, 3b, 4, 4a, 4b, 4c, 5, 6; 298.17.

The bill was read for the first time and referred to the Committee on Taxes.

Persell and Solberg introduced:

H. F. No. 2264, A bill for an act relating to capital improvements; appropriating money for a regional community facility in Deer River; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Finance.

Howes introduced:

H. F. No. 2265, A bill for an act relating to natural resources; appropriating money for the Mississippi Headwaters Board.

The bill was read for the first time and referred to the Committee on Finance.

Reinert introduced:

H. F. No. 2266, A bill for an act relating to higher education; abolishing the Lake Superior Center Authority and transferring all assets related to the facilities and operations of the Lake Superior Center to the Board of Regents of the University of Minnesota; repealing Minnesota Statutes 2008, sections 85B.01; 85B.02; 85B.03; 85B.04; 85B.05; 85B.06; 85B.07; 85B.08; Laws 1990, chapter 535, sections 1; 2; 3, as amended; 4; 5, as amended; 6; 7; 8.

The bill was read for the first time and referred to the Committee on Finance.

Reinert introduced:

H. F. No. 2267, A bill for an act relating to economic development; appropriating money for a grant to the city of Duluth to pay debt on the Great Lakes Aquarium.

The bill was read for the first time and referred to the Committee on Finance.

Mahoney and Lillie introduced:

H. F. No. 2268, A bill for an act relating to parks; appropriating money for a master plan for the Ramsey County chain of lakes.

The bill was read for the first time and referred to the Committee on Finance.

Slawik introduced:

H. F. No. 2269, A bill for an act relating to education; appropriating money for Words Work grants for early childhood literacy.

The bill was read for the first time and referred to the Committee on Finance.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 392, A bill for an act relating to taxation; providing a federal update; modifying computation of net income and payment of corporate franchise tax refunds; modifying requirements for appointment of commissioner of Department of Revenue; amending Minnesota Statutes 2008, sections 270C.02, subdivision 1; 289A.02, subdivision 7; 290.01, subdivisions 19, 19a, 19c, 19d, 31, by adding a subdivision; 290.067, subdivision 2a; 290A.03, subdivisions 3, 15; 291.005, subdivision 1.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 865, A bill for an act relating to natural resources; establishing a state trail; amending Minnesota Statutes 2008, section 85.015, by adding a subdivision.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 675, 708, 1197, 1329, 33, 164 and 284.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 675, A bill for an act relating to health; making technical changes for emergency medical services; amending Minnesota Statutes 2008, section 144E.101, subdivisions 6, 7.

The bill was read for the first time.

Olin moved that S. F. No. 675 and H. F. No. 842, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 708, A bill for an act relating to mortgages; modifying provisions relating to foreclosure consultants; amending Minnesota Statutes 2008, section 325N.01.

The bill was read for the first time.

Mullery moved that S. F. No. 708 and H. F. No. 903, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1197, A bill for an act relating to unemployment insurance; conforming Minnesota law to the requirements necessary to receive federal stimulus funds; appropriating money; amending Minnesota Statutes 2008, sections 268.035, subdivisions 4, as amended, 21a, 23a, by adding a subdivision; 268.07, subdivisions 1, 2; 268.085, subdivision 15; 268.095, subdivisions 1, 6.

The bill was read for the first time.

Rukavina moved that S. F. No. 1197 and H. F. No. 1227, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1329, A bill for an act relating to the Public Facilities Authority; providing for use of federal funds allocated to the state by the American Recovery and Reinvestment Act; providing for clean water and drinking water loans and grants; appropriating money; amending Minnesota Statutes 2008, sections 446A.07, subdivision 7; 446A.081, subdivision 8.

The bill was read for the first time and referred to the Committee on Ways and Means.

S. F. No. 33, A bill for an act relating to pupil transportation; modifying qualifications for type III school bus drivers; amending Minnesota Statutes 2008, section 171.02, subdivision 2b.

The bill was read for the first time.

Ward moved that S. F. No. 33 and H. F. No. 116, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 164, A bill for an act relating to adoption; requiring affidavit regarding disclosure of birth records; requiring updated nonidentifying medical history information; amending Minnesota Statutes 2008, section 259.89, subdivisions 1, 2, 4, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health Care and Human Services Policy and Oversight.

S. F. No. 284, A bill for an act relating to elections; applying certain privileges to major political party caucuses held in cities of the first class during odd-numbered years; proposing coding for new law in Minnesota Statutes, chapter 202A.

The bill was read for the first time.

Davnie moved that S. F. No. 284 and H. F. No. 300, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

CALENDAR FOR THE DAY

Sertich moved that the Calendar for the Day be continued. The motion prevailed.

MOTIONS AND RESOLUTIONS

Brynaert moved that the name of Jackson be added as an author on H. F. No. 245. The motion prevailed.

Swails moved that the name of Sterner be added as an author on H. F. No. 306. The motion prevailed.

Lenczewski moved that the names of Kelliher and Sterner be added as authors on H. F. No. 392. The motion prevailed.

Lesch moved that the name of Newton be added as an author on H. F. No. 483. The motion prevailed.

Mullery moved that the names of Winkler and Sterner be added as authors on H. F. No. 525. The motion prevailed.

Juhnke moved that the name of Urdahl be added as an author on H. F. No. 630. The motion prevailed.

Hilty moved that the name of Obermueller be added as an author on H. F. No. 863. The motion prevailed.

Slocum moved that her name be stricken as an author on H. F. No. 888. The motion prevailed.

Tillberry moved that the name of Laine be added as an author on H. F. No. 920. The motion prevailed.

Morrow moved that the name of Sterner be added as an author on H. F. No. 955. The motion prevailed.

Fritz moved that her name be stricken as an author on H. F. No. 1035. The motion prevailed.

Hosch moved that the name of Brynaert be added as an author on H. F. No. 1035. The motion prevailed.

Haws moved that the name of Slocum be added as an author on H. F. No. 1104. The motion prevailed.

Murphy, E., moved that the name of Newton be added as an author on H. F. No. 1249. The motion prevailed.

Loeffler moved that the name of Laine be added as an author on H. F. No. 1293. The motion prevailed.

Abeler moved that the name of Newton be added as an author on H. F. No. 1346. The motion prevailed.

Rosenthal moved that the names of Brynaert and Hornstein be added as authors on H. F. No. 1432. The motion prevailed.

Hayden moved that the name of Laine be added as an author on H. F. No. 1491. The motion prevailed.

Liebling moved that the name of Laine be added as an author on H. F. No. 1641. The motion prevailed.

Swails moved that the name of Sterner be added as an author on H. F. No. 1665. The motion prevailed.

Eken moved that the name of Olin be added as an author on H. F. No. 1733. The motion prevailed.

Hilty moved that the names of Abeler, Kelliher and Sterner be added as authors on H. F. No. 1744. The motion prevailed.

Koenen moved that the name of Ward be added as an author on H. F. No. 1844. The motion prevailed.

Nelson moved that the names of Sterner and Gottwalt be added as authors on H. F. No. 1849. The motion prevailed.

Hackbarth moved that the name of Abeler be added as an author on H. F. No. 1881. The motion prevailed.

Haws moved that the name of Slocum be added as an author on H. F. No. 1901. The motion prevailed.

Loeffler moved that the name of Lenczewski be added as an author on H. F. No. 1943. The motion prevailed.

Lesch moved that the name of Zellers be added as an author on H. F. No. 1947. The motion prevailed.

Haws moved that the name of Gottwalt be added as an author on H. F. No. 1948. The motion prevailed.

Marquart moved that the name of Morrow be added as an author on H. F. No. 1974. The motion prevailed.

Winkler moved that the name of Brynaert be added as an author on H. F. No. 2017. The motion prevailed.

Gottwalt moved that the name of Morgan be added as an author on H. F. No. 2036. The motion prevailed.

Lanning moved that the name of Laine be added as an author on H. F. No. 2062. The motion prevailed.

Loon moved that the name of Abeler be added as an author on H. F. No. 2126. The motion prevailed.

Hausman moved that the name of Hansen be added as an author on H. F. No. 2134. The motion prevailed.

Anderson, P., moved that the name of Reinert be added as an author on H. F. No. 2156. The motion prevailed.

Hansen moved that the names of Atkins and Bigam be added as authors on H. F. No. 2205. The motion prevailed.

Hansen moved that the name of Ward be added as an author on H. F. No. 2241. The motion prevailed.

Norton moved that H. F. No. 108 be recalled from the Committee on Finance and be re-referred to the Committee on Public Safety Policy and Oversight. The motion prevailed.

Mariani moved that H. F. No. 1670 be recalled from the Housing Finance and Policy and Public Health Finance Division and be re-referred to the Committee on State and Local Government Operations Reform, Technology and Elections. The motion prevailed.

Buesgens moved that H. F. No. 612, now on the General Register, be re-referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

A roll call was requested and properly seconded.

The question was taken on the Buesgens motion and the roll was called. There were 57 yeas and 74 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Faust	Kelly	Nornes	Slocum
Anderson, B.	Demmer	Garofalo	Kiffmeyer	Peppin	Smith
Anderson, P.	Dettmer	Gottwalt	Kohls	Poppe	Sterner
Anderson, S.	Dill	Gunther	Lanning	Rosenthal	Torkelson
Beard	Dittrich	Hackbarth	Loon	Ruud	Urdahl
Brod	Doepke	Hamilton	Mack	Sanders	Westrom
Buesgens	Downey	Holberg	Magnus	Scalze	Zellers
Bunn	Drazkowski	Hoppe	McFarlane	Scott	
Cornish	Eastlund	Jackson	McNamara	Severson	
Davids	Emmer	Kalin	Murdock	Shimanski	

Those who voted in the negative were:

Anzenc	Fritz	Johnson	Mahoney	Olin	Swails
Benson	Gardner	Juhnke	Mariani	Otremba	Thao
Bigham	Greiling	Kahn	Marquart	Paymar	Thissen
Bly	Hansen	Kath	Masin	Pelowski	Tillberry
Brown	Hausman	Knuth	Morgan	Persell	Wagenius
Brynaert	Haws	Koenen	Morrow	Peterson	Ward
Carlson	Hayden	Laine	Mullery	Reinert	Welti
Champion	Hilstrom	Lenczewski	Murphy, E.	Rukavina	Winkler
Clark	Hilty	Lesch	Murphy, M.	Sailer	Spk. Kelliher
Davnie	Hornstein	Liebling	Nelson	Sertich	
Doty	Hortman	Lieder	Newton	Simon	
Eken	Hosch	Lillie	Norton	Slawik	
Falk	Huntley	Loeffler	Obermueller	Solberg	

The motion did not prevail.

Thissen moved that H. F. No. 941 be returned to its author. The motion prevailed.

FISCAL CALENDAR ANNOUNCEMENTS

Pursuant to rule 1.22, Lenczewski announced her intention to place S. F. No. 832 on the Fiscal Calendar for Thursday, April 2, 2009.

Pursuant to rule 1.22, Solberg announced his intention to place S. F. No. 95 on the Fiscal Calendar for Thursday, April 2, 2009.

ADJOURNMENT

Sertich moved that when the House adjourns today it adjourn until 10:30 a.m., Thursday, April 2, 2009. The motion prevailed.

Sertich moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:30 a.m., Thursday, April 2, 2009.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives