STATE OF MINNESOTA

EIGHTY-SIXTH SESSION — 2009

THIRTY-SECOND DAY

SAINT PAUL, MINNESOTA, TUESDAY, APRIL 7, 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 Dennis J. Johnson, House Chaplain.

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

Spk. Kelliher

A quorum was present.

Hornstein and Urdahl were excused.

Lesch was excused until 1:05 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Nornes 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. 1904 and H. F. No. 2138, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Atkins moved that S. F. No. 1904 be substituted for H. F. No. 2138 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 3, 2009

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Kelliher:

Please be advised that I have received, approved, signed, and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 865, relating to natural resources; establishing a state trail.

H. F. No. 392, relating to taxation; income, corporate franchise, and property; providing a federal update; modifying green acres program; creating rural preserve property tax program; requiring reports.

Sincerely,

T IM P AWLENTY
Governor

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives

The Honorable James P. Metzen
President of the Senate

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

I have the honor to inform you that the following enrolled Acts of the 2009 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:
The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives

The Honorable James P. Metzen
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2009 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<table>
<thead>
<tr>
<th>S. F. No.</th>
<th>H. F. No.</th>
<th>Session Laws Chapter No.</th>
<th>Time and Date Approved</th>
<th>Date Filed</th>
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<td>832</td>
<td>14</td>
<td>3:23 p.m. April 6</td>
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<tr>
<td>95</td>
<td>13</td>
<td>3:21 p.m. April 6</td>
<td>April 6</td>
<td></td>
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</tbody>
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Sincerely,

MARK RITCHIE
Secretary of State

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

REPORTS OF STANDING COMMITTEES AND DIVISIONS

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

H. F. No. 7, A bill for an act relating to state government; clarifying and strengthening laws prohibiting misuse of state funds; amending Minnesota Statutes 2008, sections 3.971, subdivision 6; 3.975; 16A.139; proposing coding for new law in Minnesota Statutes, chapter 43A.

Reported the same back with the following amendments:
Page 2, line 14, after "department" insert "in the executive, legislative, or judicial branches"

Page 2, line 15, after "department" insert "in those branches"

Page 2, line 23, after the period, insert "This paragraph does not apply to a judge, a constitutional officer, or a legislator, except as potential grounds for expulsion, impeachment, or recall in the manner specified in article IV, section 7, and article VIII of the Minnesota Constitution."

Page 2, line 26, delete "43A.325" and insert "16A.1391"

Page 2, line 28, after "authorities" insert "in the executive, legislative, and judicial branches"

Correct the title numbers accordingly

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. 108, A bill for an act relating to traffic regulations; making seat belt violation a primary offense in all seating positions regardless of age; making technical changes; providing for surcharge; amending Minnesota Statutes 2008, sections 169.686, subdivisions 1, 2, by adding a subdivision; 171.05, subdivision 2b; 171.055, subdivision 2; 357.021, subdivisions 6, 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1.  Minnesota Statutes 2008, section 169.686, subdivision 1, is amended to read:

Subdivision 1. **Seat belt requirement.** (a) Except as provided in section 169.685, a properly adjusted and fastened seat belt, including both the shoulder and lap belt when the vehicle is so equipped, shall be worn by:

(1) the driver and passengers of a passenger vehicle or commercial motor vehicle, type III vehicle, and type III Head Start vehicle;

(2) a passenger riding in the front seat of a passenger vehicle or commercial motor vehicle; and

(3) a passenger riding in any seat of a passenger vehicle who is older than three but younger than 11 years of age.

(b) a person who is 15 years of age or older and who violates paragraph (a), clause (1) or (2), is subject to a fine of $25. The driver of the passenger vehicle or commercial motor vehicle in which the violation occurs is subject to a $25 fine for a each violation of paragraph (a), clause (2) or (3), by the driver or by a child of the driver under the age of 15 or any child under the age of 11. A peace officer may not issue a citation for a violation of this section unless the officer lawfully stopped or detained the driver of the motor vehicle for a moving violation other than a violation involving motor vehicle equipment. The Department of Public Safety shall not record a violation of this subdivision on a person's driving record.

**EFFECTIVE DATE.** This section is effective June 9, 2009, and applies to acts committed on or after that date.
Sec. 2. Minnesota Statutes 2008, section 169.686, is amended by adding a subdivision to read:

Subd. 1a. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Passenger vehicle" means:

(1) a passenger automobile defined in section 168.002, subdivision 24;

(2) a pickup truck;

(3) a van;

(4) a commuter van, as defined in section 168.126; and

(5) a recreational vehicle, as defined in section 168.002, subdivision 27.

(c) "Passenger vehicle" does not include a motorcycle, motorized bicycle, bus, school bus, a vehicle designed to operate exclusively on railroad tracks, a farm truck as defined in section 168.002, subdivision 8, or special mobile equipment as defined in section 168.002, subdivision 31.

(d) "Pickup truck" means a truck, regardless of manufacturer's nominal rated carrying capacity, that is commonly known as a pickup truck.

(e) "Van" means a vehicle, regardless of the manufacturer's nominal rated carrying capacity, of a box-like design that (1) has no barrier or separation between the operator's area and the remainder of the cargo-carrying area, or (2) is designed to carry 15 or fewer passengers, including the driver.

**EFFECTIVE DATE.** This section is effective June 9, 2009.

Sec. 3. Minnesota Statutes 2008, section 169.686, subdivision 2, is amended to read:

Subd. 2. **Seat belt exemptions.** This section shall not apply to:

(1) a person driving a passenger vehicle in reverse;

(2) a person riding in a *seated vehicle* in which all the seating positions equipped with safety belts are occupied by other persons in safety belts;

(3) a person who is in possession of a written certificate from a licensed physician verifying that because of medical unfitness or physical disability the person is unable to wear a seat belt;

(4) a person who is actually engaged in work that requires the person to alight from and reenter a motor vehicle at frequent intervals and who, while engaged in that work, does not drive or travel in that vehicle at a speed exceeding 25 miles per hour;

(5) a rural mail carrier of the United States Postal Service while in the performance of duties;

(6) a person driving or riding in a passenger vehicle manufactured before January 1, 1965; and

(7) a person driving or riding in a pickup truck, as defined in section 168.002, subdivision 26, while engaged in normal farming work or activity.
Sec. 4. Minnesota Statutes 2008, section 171.05, subdivision 2b, is amended to read:

Subd. 2b. **Instruction permit use by person under age 18.** (a) This subdivision applies to persons who have applied for and received an instruction permit under subdivision 2.

(b) The permit holder may, with the permit in possession, operate a motor vehicle, but must be accompanied by and be under the supervision of a certified driver education instructor, the permit holder’s parent or guardian, or another licensed driver age 21 or older. The supervisor must occupy the seat beside the permit holder.

(c) The permit holder may operate a motor vehicle only when every occupant under the age of 18 has a seat belt or child passenger restraint system properly fastened. A person who violates this paragraph is subject to a fine of $25. A peace officer may not issue a citation for a violation of this paragraph unless the officer lawfully stopped or detained the driver of the motor vehicle for a moving violation as defined in section 171.04, subdivision 1. The commissioner shall not record a violation of this paragraph on a person’s driving record.

(d) The permit holder may not operate a vehicle while communicating over, or otherwise operating, a cellular or wireless telephone, whether handheld or hands free, when the vehicle is in motion. The permit holder may assert as an affirmative defense that the violation was made for the sole purpose of obtaining emergency assistance to prevent a crime about to be committed, or in the reasonable belief that a person’s life or safety was in danger. Violation of this paragraph is a petty misdemeanor subject to section 169.89, subdivision 2.

(e) The permit holder must maintain a driving record free of convictions for moving violations, as defined in section 171.04, subdivision 1, and free of convictions for violation of section 169A.20, 169A.33, 169A.35, or sections 169A.50 to 169A.53. If the permit holder drives a motor vehicle in violation of the law, the commissioner shall suspend, cancel, or revoke the permit in accordance with the statutory section violated.

**EFFECTIVE DATE.** This section is effective June 9, 2009, and applies to acts committed on or after that date.

Sec. 5. Minnesota Statutes 2008, section 171.055, subdivision 2, is amended to read:

Subd. 2. **Use of provisional license.** (a) A provisional license holder may operate a motor vehicle only when every occupant under the age of 18 has a seat belt or child passenger restraint system properly fastened. A person who violates this paragraph is subject to a fine of $25. A peace officer may not issue a citation for a violation of this paragraph unless the officer lawfully stopped or detained the driver of the motor vehicle for a moving violation as defined in section 171.04. The commissioner shall not record a violation of this paragraph on a person’s driving record.

(b) A provisional license holder may not operate a vehicle while communicating over, or otherwise operating, a cellular or wireless telephone, whether handheld or hands free, when the vehicle is in motion. The provisional license holder may assert as an affirmative defense that the violation was made for the sole purpose of obtaining emergency assistance to prevent a crime about to be committed, or in the reasonable belief that a person’s life or safety was in danger. Violation of this paragraph is a petty misdemeanor subject to section 169.89, subdivision 2.

(e) (b) If the holder of a provisional license during the period of provisional licensing incurs (1) a conviction for a violation of section 169A.20, 169A.33, 169A.35, or sections 169A.50 to 169A.53, (2) a conviction for a crash-related moving violation, or (3) more than one conviction for a moving violation that is not crash related, the person may not be issued a driver’s license until 12 consecutive months have expired since the date of the conviction or until the person reaches the age of 18 years, whichever occurs first.
For the first six months of provisional licensure, a provisional license holder may not operate a motor vehicle carrying more than one passenger under the age of 20 years who is not a member of the holder's immediate family. For the second six months, the holder of the license may not operate a motor vehicle that is carrying more than three passengers who are under the age of 20 years and who are not members of the holder's immediate family. This paragraph does not apply if the provisional license holder is accompanied by a parent or guardian.

For the first six months of provisional licensure, a provisional license holder may operate a motor vehicle between the hours of midnight and 5:00 a.m. only when the license holder is:

1. driving between the license holder's home and place of employment;

2. driving between the license holder's home and a school event for which the school has not provided transportation;

3. driving for employment purposes; or

4. accompanied by a licensed driver at least 25 years of age.

**EFFECTIVE DATE.** This section is effective June 9, 2009, and applies to acts committed on or after that date.

Sec. 6. 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, and other than a violation of section 169.686, for which there shall be a $25 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.

**EFFECTIVE DATE.** This section is effective June 9, 2009, and applies to acts committed on or after that date.
Sec. 7. Minnesota Statutes 2008, section 357.021, subdivision 7, is amended to read:

Subd. 7. Disbursement of surcharges by commissioner of finance. (a) Except as provided in paragraphs (b), (c), and (d), the commissioner of finance shall disburse surcharges received under subdivision 6 and section 97A.065, subdivision 2, as follows:

1. one percent shall be credited to the game and fish fund to provide peace officer training for employees of the Department of Natural Resources who are licensed under sections 626.84 to 626.863, and who possess peace officer authority for the purpose of enforcing game and fish laws;

2. 39 percent shall be credited to the peace officers training account in the special revenue fund; and

3. 60 percent shall be credited to the general fund.

(b) The commissioner of finance shall credit $3 of each surcharge received under subdivision 6 and section 97A.065, subdivision 2, to the general fund.

(c) In addition to any amounts credited under paragraph (a), the commissioner of finance shall credit $47 of each surcharge received under subdivision 6 and section 97A.065, subdivision 2, and the $4 parking surcharge, to the general fund.

(d) If the Ramsey County Board of Commissioners authorizes imposition of the additional $1 surcharge provided for in subdivision 6, paragraph (a), the court administrator in the Second Judicial District shall transmit the surcharge to the commissioner of finance. The $1 special surcharge is deposited in a Ramsey County surcharge account in the special revenue fund and amounts in the account are appropriated to the trial courts for the administration of the petty misdemeanor diversion program operated by the Second Judicial District Ramsey County Violations Bureau.

(e) Notwithstanding paragraphs (b) and (c), the commissioner of finance shall disburse the entire surcharge received under subdivision 6 for violations of section 169.686 as provided in paragraph (a).

EFFECTIVE DATE. This section is effective June 9, 2009, and applies to acts committed on or after that date.
Page 1, line 17, delete "and application"

Page 1, line 18, delete "shall" and insert "may also" and delete "an adequate" and insert "a"

Page 1, line 19, delete "for this purpose" and insert "to accompany the notice"

Page 1, line 20, delete "and a voter"

Page 1, line 21, delete "registration application"

Page 1, line 23, after "and" insert "may provide a voter registration"

Page 2, line 3, after "and" insert "may provide a voter registration"

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. 680, A bill for an act relating to energy; providing direction for the use of federal stimulus funding for energy programs; proposing coding for new law in Minnesota Statutes, chapter 216B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

DEFINITIONS; GOALS; LEGISLATIVE REVIEW

Section 1. FEDERAL STIMULUS FUNDING; GOAL OF ENERGY PROGRAMS.

Subdivision 1. Definitions. For the purposes of articles 1 to 5, the following terms have the meaning given them.

(a) "Act" means the American Recovery and Reinvestment Act of 2009.

(b) "Commissioner" means the commissioner of commerce.

(c) "Stimulus funding" or "funding" means funding provided to the state under the act for:

(1) energy efficiency and conservation block grants authorized under subtitle E of title V of the federal Energy Independence and Security Act of 2007, United States Code, title 42, section 17151 et seq.;

(2) the Weatherization Assistance Program authorized under part A of title IV of the federal Energy Conservation and Production Act, United States Code, title 42, section 6861, et seq.; and
(3) the State Energy Program authorized under part D of title III of the federal Energy Policy and Conservation Act, United States Code, title 42, section 6321, et seq.

Subd. 2. Stimulus funding allocation and use goals. To the extent allowed by federal law and regulation and consistent with the purposes and principles of the act, stimulus funding must be allocated and expended under articles 2 to 4 for activities that best achieve the following goals:

(1) job retention and creation;
(2) improved energy efficiency and increased renewable energy production capacity;
(3) coordination with and leveraging of other resources to increase the total benefits derived from stimulus funding;
(4) timely implementation of funded activities;
(5) long-term sustainability of benefits derived from stimulus funds;
(6) geographic distribution across the state; and
(7) compliance with the disadvantaged business enterprise requirements in Minnesota Statutes, section 16C.16.

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

Sec. 2. LEGISLATIVE REVIEW.

The Office of Energy Security shall, prior to expending any stimulus funds, submit to the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over energy policy and finance the criteria it proposes to use to rank the programs in articles 1 to 5 in order to allocate stimulus funding among the programs. Comments on the proposed criteria must be submitted to the Office of Energy Security within ten working days of receipt of the criteria. The Office of Energy Security shall consider the comments before establishing the final allocation criteria, and shall submit a report on the amount of stimulus funds allocated to each of the programs under articles 1 to 5 the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over energy policy and finance within ten working days of establishing the stimulus funding allocations.

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

ARTICLE 2

ENERGY EFFICIENCY

Section 1. WEATHERIZATION.

Subdivision 1. Allocation of funds. All stimulus funds for weatherization must be allocated by the director of the Office of Energy Security, consistent with federal allocation requirements and state allocation formulas in the state weatherization plan. Existing providers of weatherization services must be fully utilized, consistent with effective program delivery, before additional providers of weatherization services are added.

Subd. 2. Rental units. Programs that include rental units must be developed, including developing procedures to increase low-income rental unit participation in programs. Priority must be given to serving the largest number of new weatherization clients consistent with federal eligibility requirements.

EFFECTIVE DATE. This section is effective the day following final enactment.
Sec. 2. **LOCAL GOVERNMENT AND SCHOOL DISTRICT BUILDING RENOVATIONS.**

The Office of Energy Security must coordinate the use of stimulus funds with the local public building enhanced energy-efficiency program under Minnesota Statutes, section 216C.43. The Office of Energy Security shall prioritize lighting upgrades, energy recommissioning, and other cost-effective energy projects that are ready for immediate implementation. Stimulus funds may be used for, but are not limited to, grants for a portion of costs incurred by local governments to implement energy efficiency improvements under the local public building enhanced energy-efficiency program. The Office of Energy Security may require a local government, as a condition of receiving a grant, to commit to implement future activities, including, but not limited to, staff training, that are designed to create additional energy or operating savings to the local government. The Office of Energy Security shall coordinate with the Department of Education to prioritize school district projects for funding under this section, consistent with the principles of statewide geographic distribution of projects, optimized energy savings, and an improved learning environment for school children.

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

Sec. 3. **STATE GOVERNMENT BUILDINGS.**

The Department of Administration shall develop a plan and procedures to select, fund, and implement projects using stimulus funds. The plan and procedures shall prioritize lighting upgrades, energy-efficient windows, energy recommissioning, and other cost-effective energy projects that are ready for immediate implementation. Funds may be used for, but are not limited to, grants for a portion of costs incurred by state agencies in implementing energy efficiency improvements. The Department of Administration may require a state agency, as a condition of receiving stimulus funds, to commit to implement future activities, including, but not limited to, staff training, that are designed to create additional energy or operating savings to the state agency.

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

Sec. 4. **RESIDENTIAL ENERGY EFFICIENCY PROGRAMS.**

The Office of Energy Security shall coordinate with the Minnesota Housing Finance Agency to use stimulus funds in conjunction with the Minnesota Housing Finance Agency's existing financing programs to improve energy efficiency in dwellings.

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

Sec. 5. **TRAINING AND WORKFORCE DEVELOPMENT.**

(a) The Department of Employment and Economic Development, in consultation with the Office of Energy Security and the Office of Higher Education, shall develop a plan and procedures to:

1. allocate stimulus funds to training programs to train energy professionals needed to implement the energy programs described in sections 1 to 4, including but not limited to energy auditors, energy managers, and building operators;

2. coordinate, oversee, and monitor the training and certification of energy professionals; and

3. allocate stimulus funding for the purposes of clauses (1) and (2) and to training providers.

(b) Training strategies must be designed to meet the wide range of facilities managers and building sizes and types, and must protect the occupational health and safety of workers employed on these energy projects. Technical skills training must include insulation, air sealing, and mechanical work.
(c) The plan must include procedures to:

(1) train individuals already employed in implementing energy programs;

(2) recruit individuals to be trained to perform work in energy projects using stimulus funding who are unemployed, especially targeting communities experiencing disproportionately high rates of unemployment, including, but not limited to, low-income, youth, rural, or tribal communities and individuals in construction trades and crafts;

(3) ensure that the full capacity of current training providers is utilized, including, but not limited to, opportunities industrialization centers, skilled trades labor unions, tribal colleges or nonprofits working in tribal communities, community action partnerships, utility companies, higher education institutions, and nonprofit organizations with demonstrated expertise in energy efficiency; and

(4) publicize job and contract opportunities through cost-effective dissemination via the mass media, including, but not limited to, public service announcements and radio advertisements.

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

Sec. 6. **ACCOUNTABILITY AND TRANSPARENCY REPORTING.**

The director of the Office of Energy Security, after compiling information supplied by the Departments of Administration, Education, and Employment and Economic Development, and the Office of Higher Education, shall report on the progress of the programs funded under articles 1 to 5 to the house of representatives and senate committees with jurisdiction over energy finance and workforce development policy by September 1, 2009, January 15, 2010, April 1, 2010, and September 1, 2010. The report must include a complete accounting of all stimulus funds spent on the programs funded under articles 1 to 5, to the extent allowable by state and federal law, including, but not limited to:

(1) the specific projects funded, including the location, building owner, and project manager;

(2) the number of jobs retained or created by each project;

(3) the total calculated and actual energy savings for each project;

(4) the remaining balances in each stimulus fund;

(5) the nonstimulus funding leveraged by stimulus funds for each project;

(6) the training courses provided, including the location and provider of courses offered, the funding source for each training course, and the total number of trainees;

(7) compliance with prevailing wage, veterans, and disadvantaged business enterprise requirements; and

(8) the effectiveness of the outreach and recruitment efforts among youth, low-income, and unemployed workers conducted under section 5, paragraph (a), clause (2).

**EFFECTIVE DATE.** This section is effective the day following final enactment.
ARTICLE 3

RENEWABLE ENERGY

Section 1. **RENEWABLE ENERGY GRANT PROGRAM.**

(a) The commissioner of commerce shall establish a program to award grants to energy projects that meet the following conditions:

1. the project qualifies as a community-based energy development (C-BED) project, as defined in Minnesota Statutes, section 216B.1612, subdivision 2, paragraph (g);
2. for wind projects, the project is located in an area where the measured wind resource is Class 4 or above;
3. the project begins commercial operation after July 1, 2009;
4. the project does not receive renewable energy payment incentives under Minnesota Statutes, section 216C.41; and
5. the project meets any other conditions established under the American Recovery and Reinvestment Act of 2009, Public Law 111-5, for use of these funds.

(b) The department shall develop an application form, application review procedures, criteria that projects must meet in order to be considered for a grant award, procedures and guidelines for project monitoring and evaluation, and other administrative procedures necessary to fully implement a grant program.

(c) The maximum grant to a project is $500,000.

(d) No more than two projects in a single county may receive a grant under this section.

(e) No C-BED qualifying owner may financially participate in more than one project that receives a grant under this section.

(f) Grant awards must be geographically dispersed throughout the state.

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

Sec. 2. **RENEWABLE ELECTRIC GENERATION FACILITY REBATES.**

(a) The commissioner shall establish a program to award rebates to qualifying facilities that generate electricity from a renewable source and that:

1. begin operation after July 1, 2009;
2. meet all other conditions established under the act; and
3. provide electricity to:
   (i) a homeowner’s primary residence; or
   (ii) a business with 20 or fewer full-time employees.
(b) The commissioner shall develop an application form, application review procedures, criteria that projects must meet in order to be considered for a rebate, procedures and guidelines for project monitoring and evaluation, and other administrative procedures necessary to fully implement a rebate program.

(c) The owner of a qualifying facility may apply to the commissioner for a rebate of the lesser of $2,500 or 35 percent of the cost of the electric generation facility, including installation costs.

(d) The commissioner shall award rebates only from funds appropriated for that purpose and to the extent of those appropriations. Grants must be made to applicants in the order of the time of receipt of a complete application.

(e) For purposes of this section:

(1) "Qualifying facility" means an electric generation facility with a capacity of less than 40 kilowatts that generates electricity from a renewable energy source.

(2) "Renewable energy source" means:

(i) solar;

(ii) wind;

(iii) hydroelectric;

(iv) hydrogen, provided that after January 1, 2010, the hydrogen must be generated from the resources listed in this clause; or

(v) biomass, which includes, without limitation, landfill gas; an anaerobic digester system; and the predominantly organic components of wastewater effluent, sludge, or related by-products from publicly owned treatment works, but not including incineration of wastewater sludge to produce electricity.

(3) "Commissioner" means the commissioner of commerce.

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

Sec. 3. SOLAR ENERGY PROJECTS IN PUBLIC BUILDINGS AND SCHOOLS.

(a) The commissioner shall establish a program to award grants to:

(1) local units of government to pay the costs of installing solar energy projects to generate energy used in public buildings; or

(2) to school districts to pay the costs of installing solar energy projects to generate energy used in K-12 schools.

(b) To be eligible to receive a grant, a project must:

(1) begin operation after July 1, 2009; and

(2) meet all other conditions established under the act.
(c) The commissioner shall develop an application form, application review procedures, criteria that a project must meet in order to be considered for a grant award, procedures and guidelines for project monitoring and evaluation, and other administrative procedures necessary to fully implement a grant program.

(d) In awarding grants, the commissioner must determine, at a minimum, the following:

(1) that the physical condition of the building is sufficient to support the efficient operation of the solar energy project;

(2) that there is no significant possibility that the building may close within ten years, which determination, for a school, must be based on enrollment projections; and

(3) that the projected cumulative energy savings exceed the grant amount within 15 years for a qualifying solar thermal project, and within 20 years for a photovoltaic device.

(e) In awarding grants, the commissioner must also consider:

(1) the reliability and cost-effectiveness of the solar technology to be installed;

(2) the extent to which the proposal effectively coordinates with the conservation and energy efficiency programs offered by the energy utilities serving the building in which the project is located, and with the public building enhanced energy efficiency program under section 216C.43, if applicable;

(3) life cycle energy use reductions and greenhouse gas emissions reductions projected per dollar of installed cost of the project; and

(4) the geographic distribution of grant recipients throughout the state.

(f) For the purposes of this section:

(1) "public building" means any publicly owned building, sports arena, or other facility of a county, city, or other local unit of government;

(2) "solar energy" means:

(i) a photovoltaic device, as defined in Minnesota Statutes, section 216C.06, subdivision 16; or

(ii) a qualifying thermal project, as defined in Minnesota Statutes, section 216B.2411, subdivision 2, that includes modifications made to a distribution system to distribute heating or cooling throughout a building; and

(3) "commissioner" means the commissioner of commerce.

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

**ARTICLE 4**

**MISCELLANEOUS PROGRAMS**

Section 1. **ENERGY PROGRAMS IN COMMERCIAL AND INDUSTRIAL BUILDINGS.**

(a) The commissioner of commerce shall establish a program to award grants to commercial and industrial facilities for the purpose of:
(1) installing energy-efficiency improvements or devices that use renewable energy sources to generate electricity or to heat or cool a building; or

(2) manufacturing renewable fuels in solid form from biomass for use in industrial boilers.

(b) To be eligible to receive a grant, a project must:

(1) begin commercial operation after July 1, 2009; and

(2) meet all other conditions established under the act.

(c) The commissioner shall develop an application form, application review procedures, criteria that a project must meet in order to be considered for a grant award, procedures and guidelines for project monitoring and evaluation, and other administrative procedures necessary to fully implement a grant program.

(d) For the purposes of this section, "renewable energy source" means:

(i) solar;

(ii) wind;

(iii) hydroelectric;

(iv) hydrogen, provided that after January 1, 2010, the hydrogen must be generated from the resources listed in this paragraph; or

(v) biomass, which includes, without limitation, landfill gas; an anaerobic digester system; and the predominantly organic components of wastewater effluent, sludge, or related by-products from publicly owned treatment works, but not including incineration of wastewater sludge to produce electricity.

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

Sec. 2. **ENERGY EDUCATION, TRAINING, AND DATA SYSTEMS.**

The Office of Energy Security shall establish programs to work with teachers and other energy experts to include energy issues in K-12 curricula; develop training and certification programs for technicians to install and service wind and solar energy systems; and upgrade data systems to enable accurate tracking of energy savings resulting from the conservation improvement program and other state energy programs.

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

Sec. 3. **ENERGY EFFICIENCY GRANTS TO LOCAL GOVERNMENTS.**

The Office of Energy Security shall establish a grant program to award grants to local units of government to enhance energy efficiency and reduce energy use. Energy efficiency and conservation block grant funds may be used for grants for planning, consultant services, energy audits, implementing energy-efficient building codes and inspection services, energy efficiency renovations, street lighting, and the installation of renewable energy devices deployed on public buildings.
ARTICLE 5

APPROPRIATIONS

Section 1. WEATHERIZATION ASSISTANCE PROGRAM APPROPRIATION.

Of the funds available to the state of Minnesota from the federal stimulus funding for the weatherization assistance program under the American Recovery and Reinvestment Act of 2009, Public Law 111-5, $131,937,411 is appropriated to the commissioner of commerce. The funds must be administered consistent with the requirements in article 2, section 1.

Sec. 2. ENERGY EFFICIENCY AND CONSERVATION BLOCK PROGRAM APPROPRIATION.

The funds available to the state of Minnesota from the federal stimulus funding for the Energy Efficiency and Conservation Block Grant Program under the American Recovery and Reinvestment Act of 2009, Public Law 111-5, estimated to be $10,644,100, are appropriated to the commissioner of commerce. The appropriation must be distributed as follows:

(1) 61.5 percent, estimated to be $6,546,121, is for energy efficiency grants to local government in article 4, section 3; and

(2) 38.5 percent, estimated to be $4,097,979, is for local government and school district buildings consistent with the requirements in article 2, section 2.

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

Sec. 3. STATE ENERGY PROGRAM APPROPRIATION.

Of the funds available to the state of Minnesota from the federal stimulus funding for the State Energy Program under the American Recovery and Reinvestment Act of 2009, Public Law 111-5, $54,172,000 is appropriated to the commissioner of commerce. Of this amount:

(1) $10,650,000 is for local government and school district buildings consistent with the requirements in article 2, section 2;

(2) $8,000,000 is for state government buildings consistent with the requirements in article 2, section 3;

(3) $12,000,000 is for the residential energy financing programs in article 2, section 4;

(4) $12,000,000 is for renewable energy programs, including, but not limited to, the programs specified in article 3;

(5) $5,000,000 is for grants to commercial and industrial facilities for energy efficiency and renewable energy projects in article 4, section 1;

(6) $5,022,000 is for energy education, training, and information and data systems in article 4, section 2; and

(7) $1,500,000 is for a grant to the Board of Trustees of the Minnesota State Colleges and Universities for the International Renewable Energy Technology Institute (IRETI) to be located at Minnesota State University, Mankato, as a public and private partnership to support applied research in renewable energy and energy efficiency to aid in the transfer of technology from Sweden to Minnesota and to support technology commercialization from companies located in Minnesota and throughout the world.

EFFECTIVE DATE. This section is effective the day following final enactment."
Delete the title and insert:

"A bill for an act relating to energy; providing direction for use of federal stimulus funds for energy programs."

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.

Eken from the Committee on Environment Policy and Oversight to which was referred:

H. F. No. 696, A bill for an act relating to state lands; providing for certain private sales to resolve trespass issues; adding to and deleting from certain state parks; authorizing public and private sales of surplus state land; modifying previous sales authorization and land description; amending Minnesota Statutes 2008, section 84.0273; Laws 2007, chapter 131, article 2, section 38; Laws 2008, chapter 368, article 1, section 21, subdivisions 4, 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1

STATE LAND ADMINISTRATION

Section 1. Minnesota Statutes 2008, section 84.0273, is amended to read:

84.0273 ESTABLISHMENT OF BOUNDARY LINES RELATING TO CERTAIN STATE LANDHOLDINGS.

(a) In order to resolve boundary line issues affecting the ownership interests of the state and adjacent landowners, the commissioner of natural resources may, in the name of the state upon terms the commissioner deems appropriate, convey, by a boundary line agreement, quitclaim deed, or management agreement in such form as the attorney general approves, such rights, titles, and interests of the state in state lands for such rights, titles and interests in adjacent lands as are necessary for the purpose of establishing boundaries. A notice of the proposed conveyance and a brief statement of the reason therefor shall be published once in the State Register by the commissioner between 15 and 30 days prior to conveyance. The provisions of this section paragraph are not intended to replace or supersede laws relating to land exchange or disposal of surplus state property.

(b) In order to resolve trespass issues affecting the ownership interests of the state and adjacent landowners, the commissioner of natural resources, in the name of the state, may sell surplus lands not needed for natural resource purposes at private sale to adjoining property owners and leaseholders. The conveyance must be by quitclaim in a form approved by the attorney general for a consideration not less than the value determined according to section 94.10, subdivision 1.

(c) Paragraph (b) applies to all state-owned lands managed by the commissioner of natural resources, except school trust land as defined in section 92.025. For acquired lands, the commissioner may sell the surplus lands as provided in paragraph (b) notwithstanding the offering to public entities, public sale, and related notice and publication requirements of sections 94.09 to 94.165. For consolidated conservation lands, the commissioner may sell the surplus lands as provided in paragraph (b) notwithstanding the classification and public sale provisions of chapters 84A and 282.
Sec. 2.  [84.0277] CAMP RIPLEY BUFFER EASEMENTS.

Subdivision 1.  Acquisition authorized.  The commissioner may acquire, from willing sellers, perpetual conservation easements on behalf of the state and federal government consistent with Camp Ripley's Army compatible use buffer project.  This project is geographically defined as a three-mile zone around Camp Ripley in central Minnesota.

Subd. 2.  Payments; terms.  Notwithstanding sections 84.0272, subdivision 1, and 84.0274, subdivision 5, paragraph (b), the commissioner may make payments to a landowner under this subdivision to acquire a perpetual conservation easement according to subdivision 1.  The onetime payment may be based on the following:

(1) if the easement prohibits the construction of any new buildings or permanent structures upon the land, the commissioner may pay 60 percent of the most recent assessed market value of the land as determined by the county assessor of the county in which the land is located; or

(2) if the easement prohibits the construction of any new buildings or permanent structures upon the land and grants the public the right to access the land for natural resource-based outdoor recreation, the commissioner may pay 70 percent of the most recent assessed market value of the land as determined by the county assessor of the county in which the land is located.

Sec. 3.  Minnesota Statutes 2008, section 282.04, subdivision 1, is amended to read:

Subdivision 1.  Timber sales; land leases and uses.  (a) The county auditor may sell timber upon any tract that may be approved by the natural resources commissioner.  The sale of timber shall be made for cash at not less than the appraised value determined by the county board to the highest bidder after not less than one week's published notice in an official paper within the county.  Any timber offered at the public sale and not sold may thereafter be sold at private sale by the county auditor at not less than the appraised value thereof, until the time as the county board may withdraw the timber from sale.  The appraised value of the timber and the forestry practices to be followed in the cutting of said timber shall be approved by the commissioner of natural resources.

(b) Payment of the full sale price of all timber sold on tax-forfeited lands shall be made in cash at the time of the timber sale, except in the case of oral or sealed bid auction sales, the down payment shall be no less than 15 percent of the appraised value, and the balance shall be paid prior to entry.  In the case of auction sales that are partitioned and sold as a single sale with predetermined cutting blocks, the down payment shall be no less than 15 percent of the appraised price of the entire timber sale which may be held until the satisfactory completion of the sale or applied in whole or in part to the final cutting block.  The value of each separate block must be paid in full before any cutting may begin in that block.  With the permission of the county contract administrator the purchaser may enter unpaid blocks and cut necessary timber incidental to developing logging roads as may be needed to log other blocks provided that no timber may be removed from an unpaid block until separately scaled and paid for.  If payment is provided as specified in this paragraph as security under paragraph (a) and no cutting has taken place on the contract, the county auditor may credit the security provided, less any down payment required for an auction sale under this paragraph, to any other contract issued to the contract holder by the county under this chapter to which the contract holder requests in writing that it be credited, provided the request and transfer is made within the same calendar year as the security was received.

(c) The county board may sell any timber, including biomass, as appraised or scaled.  Any parcels of land from which timber is to be sold by scale of cut products shall be so designated in the published notice of sale under paragraph (a), in which case the notice shall contain a description of the parcels, a statement of the estimated quantity of each species of timber, and the appraised price of each species of timber for 1,000 feet, per cord or per piece, as the case may be.  In those cases any bids offered over and above the appraised prices shall be by percentage, the percent bid to be added to the appraised price of each of the different species of timber advertised on
the land. The purchaser of timber from the parcels shall pay in cash at the time of sale at the rate bid for all of the timber shown in the notice of sale as estimated to be standing on the land, and in addition shall pay at the same rate for any additional amounts which the final scale shows to have been cut or was available for cutting on the land at the time of sale under the terms of the sale. Where the final scale of cut products shows that less timber was cut or was available for cutting under terms of the sale than was originally paid for, the excess payment shall be refunded from the forfeited tax sale fund upon the claim of the purchaser, to be audited and allowed by the county board as in case of other claims against the county. No timber, except hardwood pulpwood, may be removed from the parcels of land or other designated landings until scaled by a person or persons designated by the county board and approved by the commissioner of natural resources. Landings other than the parcel of land from which timber is cut may be designated for scaling by the county board by written agreement with the purchaser of the timber. The county board may, by written agreement with the purchaser and with a consumer designated by the purchaser when the timber is sold by the county auditor, and with the approval of the commissioner of natural resources, accept the consumer's scale of cut products delivered at the consumer's landing. No timber shall be removed until fully paid for in cash. Small amounts of timber not exceeding $3,000 in appraised valuation may be sold for not less than the full appraised value at private sale to individual persons without first publishing notice of sale or calling for bids, provided that in case of a sale involving a total appraised value of more than $200 the sale shall be made subject to final settlement on the basis of a scale of cut products in the manner above provided and not more than two of the sales, directly or indirectly to any individual shall be in effect at one time.

(d) As directed by the county board, the county auditor may lease tax-forfeited land to individuals, corporations or organized subdivisions of the state at public or private sale, and at the prices and under the terms as the county board may prescribe, for use as cottage and camp sites and for agricultural purposes and for the purpose of taking and removing of hay, stumps, sand, gravel, clay, rock, marl, and black dirt from the land, and for garden sites and other temporary uses provided that no leases shall be for a period to exceed ten years; provided, further that any leases involving a consideration of more than $12,000 per year, except to an organized subdivision of the state shall first be offered at public sale in the manner provided herein for sale of timber. Upon the sale of any leased land, it shall remain subject to the lease for not to exceed one year from the beginning of the term of the lease. Any rent paid by the lessee for the portion of the term cut off by the cancellation shall be refunded from the forfeited tax sale fund upon the claim of the lessee, to be audited and allowed by the county board as in case of other claims against the county.

(e) As directed by the county board, the county auditor may lease tax-forfeited land to individuals, corporations, or organized subdivisions of the state at public or private sale, at the prices and under the terms as the county board may prescribe, for the purpose of taking and removing for use for road construction and other purposes tax-forfeited stockpiled iron-bearing material. The county auditor must determine that the material is needed and suitable for use in the construction or maintenance of a road, tailings basin, settling basin, dike, dam, bank fill, or other works on public or private property, and that the use would be in the best interests of the public. No lease shall exceed ten years. The use of a stockpile for these purposes must first be approved by the commissioner of natural resources. The request shall be deemed approved unless the requesting county is notified to the contrary by the commissioner of natural resources within six months after receipt of a request for approval for use of a stockpile. Once use of a stockpile has been approved, the county may continue to lease it for these purposes until approval is withdrawn by the commissioner of natural resources.

(f) The county auditor, with the approval of the county board is authorized to grant permits, licenses, and leases to tax-forfeited lands for the depositing of stripping, lean ores, tailings, or waste products from mines or ore milling plants, or to use for facilities needed to recover iron-bearing oxides from tailings basins or stockpiles, or for a buffer area needed for a mining operation, upon the conditions and for the consideration and for the period of time, not exceeding 45 years, as the county board may determine. The permits, licenses, or leases are subject to approval by the commissioner of natural resources.

(g) Any person who removes any timber from tax-forfeited land before said timber has been scaled and fully paid for as provided in this subdivision is guilty of a misdemeanor.
(h) The county auditor may, with the approval of the county board, and without first offering at public sale, grant leases, for a term not exceeding 25 years, for the removal of peat and for the production or removal of farm-grown closed-loop biomass as defined in section 216B.2424, subdivision 1, or short-rotation woody crops from tax-forfeited lands upon the terms and conditions as the county board may prescribe. Any lease for the removal of peat, farm-grown closed-loop biomass, or short-rotation woody crops from tax-forfeited lands must first be reviewed and approved by the commissioner of natural resources if the lease covers 320 or more acres. No lease for the removal of peat, farm-grown closed-loop biomass, or short-rotation woody crops shall be made by the county auditor pursuant to this section without first holding a public hearing on the auditor’s intention to lease. One printed notice in a legal newspaper in the county at least ten days before the hearing, and posted notice in the courthouse at least 20 days before the hearing shall be given of the hearing.

(i) Notwithstanding any provision of paragraph (c) to the contrary, the St. Louis County auditor may, at the discretion of the county board, sell timber to the party who bids the highest price for all the several kinds of timber, as provided for sales by the commissioner of natural resources under section 90.14. Bids offered over and above the appraised price need not be applied proportionately to the appraised price of each of the different species of timber.

(j) In lieu of any payment or deposit required in paragraph (b), as directed by the county board and under terms set by the county board, the county auditor may accept an irrevocable bank letter of credit in the amount equal to the amount otherwise determined in paragraph (b). If an irrevocable bank letter of credit is provided under this paragraph, at the written request of the purchaser, the county may periodically allow the bank letter of credit to be reduced by an amount proportionate to the value of timber that has been harvested and for which the county has received payment. The remaining amount of the bank letter of credit after a reduction under this paragraph must not be less than 20 percent of the value of the timber purchased. If an irrevocable bank letter of credit or cash deposit is provided for the down payment required in paragraph (b), and no cutting of timber has taken place on the contract for which a letter of credit has been provided, the county may allow the transfer of the letter of credit to any other contract issued to the contract holder by the county under this chapter to which the contract holder requests in writing that it be credited.

Sec. 4. Laws 2008, chapter 368, article 1, section 21, subdivision 4, is amended to read:

Subd. 4. [85.012] [Subd. 38.] Lake Shetek State Park, Murray County. The following areas are deleted from Lake Shetek State Park:

(1) Blocks 3 and 4 of Forman Acres according to the plat on file and of record in the Office of the Recorder for Murray County;

(2) the Hudson Acres subdivision according to the plat on file and of record in the Office of the Recorder for Murray County; and

(3) that part of Government Lot 6 and, that part of Government Lot 7, and that part of Government Lot 8 of Section 6, Township 107 North, Range 40 West, and that part of Government Lot 1 and that part of Government Lot 2 of Section 7, Township 107 North, Range 40 West, Murray County, Minnesota, described as follows:

Commencing at the East Quarter Corner of said Section 6; thence on a bearing based on the 1983 Murray County Coordinate System (1996 Adjustment), of South 00 degrees 22 minutes 05 seconds East 1405.16 17 minutes 23 seconds East 1247.75 feet along the east line of said Section 6; thence North 89 degrees 07 minutes 01 second West 1942.39 feet; thence West 88 degrees 39 minutes 00 seconds West 1942.74 feet; thence South 03 degrees 33 minutes 00 seconds West 94.92 feet to the northeast corner of Block 5 of FORMAN ACRES, according to the recorded plat thereof on file and of record in the Murray County Recorder's Office; thence South 14 degrees 34 minutes 00 seconds West 525.30 feet along the easterly line of said Block 5 and along the easterly line of the Private Roadway of FORMAN ACRES to the southeasterly corner of said Private Roadway and the POINT OF BEGINNING; thence
North 82 degrees 15 minutes 00 seconds West 796.30 feet along the southerly line of said Private Roadway to an angle point on said line and an existing 1/2 inch diameter rebar; thence South 64 degrees 28 minutes 26 seconds West 100.06 feet along the southerly line of said Private Roadway to an angle point on said line and an existing 1/2 inch diameter rebar; thence South 33 degrees 01 minute 32 seconds West 279.60 feet along the southerly line of said Private Roadway to an angle point on said line; thence South 76 degrees 04 minutes 52 seconds West 766.53 feet along the southerly line of said Private Roadway to a 3/4 inch diameter rebar with a plastic cap stamped "MN DNR LS 17003" (DNR MON); thence South 16 degrees 24 minutes 50 seconds West 470.40 feet to a DNR MON; thence South 24 degrees 09 minutes 57 seconds West 262.69 feet to a DNR MON; thence South 08 degrees 07 minutes 09 seconds West 332.26 feet to a DNR MON; thence North 51 degrees 40 minutes 02 seconds West 341.79 feet to the east line of Lot A of Lot 1 of LOT A OF GOV. LOT 8, OF SEC. 6 AND LOT A OF GOV. LOT 1, OF SEC 7 TP. 107 RANGE 40, according to the recorded plat thereof on file and of record in the Murray County Recorder's Office and a DNR MON; thence South 14 degrees 28 minutes 55 seconds West 71.98 feet along the east line of said Lot A to the northerly most corner of Lot 36 of HUDSON ACRES, according to the record plat thereof on file and of record in the Murray County Recorder's Office and an existing steel fence post; thence South 51 degrees 37 minutes 05 seconds East 418.97 feet along the northeasterly line of said Lot 36 and along the northeasterly line of Lots 35, 34, 33, 32 of HUDSON ACRES to an existing 1 inch inside diameter iron pipe marking the easterly most corner of Lot 32 and the most northerly corner of Lot 31A of HUDSON ACRES; thence South 48 degrees 33 minutes 10 seconds East 298.26 feet along the northeasterly line of said Lot 31A to an existing 1 1/2 inch inside diameter iron pipe marking the easterly most corner thereof and the most northerly corner of Lot 31 of HUDSON ACRES; thence South 33 degrees 53 minutes 30 seconds East 224.96 feet along the northeasterly line of said Lot 31 and along the northeasterly line of Lots 30 and 29 of HUDSON ACRES to an existing 1 1/2 inch inside diameter iron pipe marking the easterly most corner of said Lot 29 and the most northerly corner of Lot 28 of HUDSON ACRES; thence South 45 degrees 23 minutes 54 seconds West 375.07 feet along the northeasterly line of said Lot 28 and along the northeasterly line of Lots 27, 26, 25, 24 of HUDSON ACRES to an existing 1 1/2 inch inside diameter iron pipe marking the easterly most corner of said Lot 24 and the most northerly corner of Lot 23 of HUDSON ACRES; thence South 64 degrees 39 minutes 53 seconds East 226.80 feet along the northeasterly line of said Lot 23 and along the northeasterly line of Lots 22 and 21 of HUDSON ACRES to an existing 1 1/2 inch inside diameter iron pipe marking the easterly most corner of said Lot 21 and the most northerly corner of Lot 20 of HUDSON ACRES; thence South 39 degrees 49 minutes 49 seconds East 524.75 feet along the northeasterly line of said Lot 20 and along the northeasterly line of Lots 19, 18, 17, 16, 15, 14 of HUDSON ACRES to an existing 1 1/2 inch inside diameter iron pipe marking the easterly most corner of said Lot 14 and the most northerly corner of Lot 13 of HUDSON ACRES; thence South 55 degrees 31 minutes 43 seconds East 225.11 feet along the northeasterly line of said Lot 13 and along the northeasterly line of Lots 12 and 11 of HUDSON ACRES to an existing 1 1/2 inch inside diameter iron pipe marking the easterly most corner of said Lot 11 and the northwest corner of Lot 10 of HUDSON ACRES; thence South 88 degrees 03 minutes 49 seconds East 224.90 feet along the north line of said Lot 10 and along the north line of Lots 9 and 8 of HUDSON ACRES to an existing 1 1/2 inch inside diameter iron pipe marking the northeast corner of said Lot 8 and the northwest corner of Lot 7 of HUDSON ACRES; thence North 84 degrees 07 minutes 37 seconds East 525.01 feet along the north line of said Lot 7 and along the north line of Lots 6, 5, 4, 3, 2, 1 of HUDSON ACRES to an existing 1 1/2 inch inside diameter iron pipe marking the northeast corner of said Lot 1 of HUDSON ACRES; thence southeasterly, easterly and northerly along a non-tangential curve concave to the north having a radius of 50.00 feet, central angle 138 degrees 42 minutes 30 seconds West 226.66 feet to a DNR MON; thence North 48 degrees 30 minutes 31 seconds West 341.45 feet to a DNR MON; thence North 08 degrees 07 minutes 09 seconds East 359.28 feet to a DNR MON;
thence North 24 degrees 09 minutes 58 seconds East 257.86 feet to a DNR MON; thence North 16 degrees 24 minutes 50 seconds East 483.36 feet to a DNR MON; thence North 76 degrees 04 minutes 04 seconds East 715.53 feet to a DNR MON; thence North 33 degrees 01 minute 32 seconds East 282.54 feet to a DNR MON; thence North 64 degrees 28 minutes 26 seconds East 84.97 feet to a DNR MON; thence South 82 degrees 15 minutes 00 seconds East 788.53 feet to a DNR MON; thence North 07 degrees 45 minutes 07 seconds East 26.00 feet to the point of beginning; containing 7.55 acres.

Sec. 5.  Laws 2008, chapter 368, article 1, section 21, subdivision 5, is amended to read:

Subd. 5.  [85.012] [Subd. 44a.] Moose Lake State Park, Carlton County. The following areas are deleted from Moose Lake State Park, all in Township 46 North, Range 19 West, Carlton County:

(1) Parcel A: the West 660.00 feet of the Southwest Quarter of the Northeast Quarter of Section 28;

(2) Parcel B: the West 660.00 feet of the Northwest Quarter of the Southeast Quarter of Section 28 lying northerly of a line 75.00 feet northerly of and parallel with the centerline of State Trunk Highway 73, and subject to a taking for highway purposes of a 100.00-foot wide strip for access and also subject to highway and road easements;

(3) Parcel C: the West 660.00 feet of the Southwest Quarter of the Southeast Quarter of Section 28 lying northerly of a line 75.00 feet northerly of and parallel with the centerline of State Trunk Highway 73, and subject to taking for highway purposes of a road access under S.P. 0919 (311-311) 901 from State Trunk Highway 73 to old County Road 21, said access being 100.00 feet in width with triangular strips of land adjoining it at the northerly line of State Trunk Highway 73, and subject to highway and road easements;

(4) Parcel G: that part of Government Lot 2 of Section 28, which lies northerly of the westerly extension of the northerly line of the Northwest Quarter of the Northeast Quarter of said Section 28, and southerly of the westerly extension of the northerly line of the South 660.00 feet of the Northwest Quarter of the Northeast Quarter of said Section 28;

(5) Parcel H: the South 660.00 feet of the Northwest Quarter of the Northeast Quarter of Section 28;

(6) Parcel I: the Southwest Quarter of the Northeast Quarter of Section 28, except the West 660.00 feet of said Southwest Quarter; and

(7) Parcel J: that part of the North One-Half of the Southeast Quarter of Section 28, described as follows: Commencing at the northwest corner of said North One-Half of the Southeast Quarter; thence South 89 degrees 57 minutes 36 seconds East along the north line of said North One-Half of the Southeast Quarter a distance of 660.01 feet to the east line of the West 660.00 feet of said North One-Half of the Southeast Quarter and the actual point of beginning; thence continue South 89 degrees 57 minutes 36 seconds East along the north line of said North One-Half of the Southeast Quarter a distance of 657.40 feet to the southeast corner of the Southwest Quarter of the Northeast Quarter of said Section 28; thence South 00 degrees 19 minutes 17 seconds West, parallel to the west line of said North One-Half of the Southeast Quarter a distance of 715.12 feet to the westerly right-of-way of US Interstate Highway 35; thence along said westerly right-of-way of US Interstate Highway 35 a distance of 457.86 feet on a nontangential curve, concave to the southeast, having a radius of 1.0 54.93 feet, a central angle of 24 degrees 52 minutes 03 seconds, and a chord bearing of South 39 degrees 00 minutes 37 seconds West; thence South 46 degrees 44 minutes 11 seconds West along said westerly right-of-way of US Interstate Highway 35 a distance of 295.30 feet to the northerly right-of-way of Minnesota Trunk Highway 73; thence 163.55 feet along said northerly right-of-way of Minnesota Trunk Highway 73 on a nontangential curve, concave to the south, having a radius of 1, 984.88 feet, a central angle of 4 degrees 43 minutes 16 seconds, and a chord bearing of South 77 degrees 39 minutes 40 seconds West to the east line of the West 660.00 feet of said North One-Half of the Southeast Quarter; thence North 00 degrees 19 minutes 17 seconds East a distance of 1, 305.90 feet, more or less, to the point of beginning and there terminating.
Sec. 6. **ADDITIONS TO STATE PARKS.**

Subdivision 1. [85.012] [Subd. 18.] **Fort Snelling State Park, Ramsey, Hennepin and Dakota Counties.** The following area is added to Fort Snelling State Park, Hennepin County: that part of Section 20, Township 29 North, Range 23 West, described as follows: From monument number 2, located on the westerly extension of the south boundary of the U.S. Department of the Interior, Bureau of Mines; thence South 89 degrees 52 minutes 00 seconds East along said south boundary of the Bureau of Mines. 478.97 feet to reference point 1 on the easterly right-of-line of Trunk Highway No. 55 and the point of beginning; thence South 48 degrees 48 minutes 53 seconds East, 458.74 feet along the easterly right-of-way line of said Trunk Highway No. 55; thence North 23 degrees 48 minutes 00 seconds East, 329.00 feet to the south boundary of the Bureau of Mines; thence North 89 degrees 52 minutes 00 seconds West, 478.07 feet along said south boundary of the Bureau of Mines to the point of beginning.

Subd. 2. [85.012] [Subd. 42.] **Mille Lacs Kathio State Park, Mille Lacs County.** The following areas are added to Mille Lacs Kathio State Park, Mille Lacs County:

1. Government Lot 4 of the Northwest Quarter of the Northwest Quarter; all in Section 25, Township 42, Range 27, less a tract to highway described as follows: Commencing at a point approximately 270.0 feet East of the southwest corner of Government Lot 4, Section 25, Township 42 North, Range 27 West, Engineers Station 71+00; thence North 26 degrees 56 minutes West to the west line of Section 25 at Engineers Station 77+07.4 a distance of 607.4 feet and there terminating. The above describes the center line of an 82.5-foot right-of-way for the reconstruction of County State-Aid Highway No. 26 and contains 0.23 acres in addition to the present 66-foot right-of-way, Mille Lacs County, Minnesota;

2. Government Lot 5, Section 25, Township 42, Range 27;

3. that part of Government Lot 1, Section 26, Township 42 North, Range 27 West, Mille Lacs County, Minnesota, EXCEPT that part of Government Lot 1, Section 26, Township 42 North, Range 27 West, Mille Lacs County, Minnesota, described as follows: Beginning at the northeast corner of said Government Lot 1; thence North 89 degrees 09 minutes 54 seconds West, bearing based on Mille Lacs County Coordinate System, along the north line of said Government Lot 1 a distance of 665.82 feet to a 3/4 inch iron rod with survey cap stamped "MN DNR LS 16098" (DNR monument); thence South 00 degrees 00 minutes 00 seconds West a distance of 241.73 feet to a DNR monument; thence continuing South 00 degrees 00 minutes 00 seconds West a distance of 42.18 feet to a P.K. nail in the centerline of County Road 26; thence southeasterly along the centerline of County Road 26 a distance of 660 feet, more or less, to the east line of said Government Lot 1; thence North 00 degrees 22 minutes 38 seconds East along the east line of said Government Lot 1 a distance of 763 feet, more or less, to the point of beginning, containing 6.6 acres, more or less. AND EXCEPT, that part of Government Lot 1, Section 26, Township 42 North, Range 27 West, described as follows: Commencing at a point where the west line of the Northwest Quarter of the Northwest Quarter, Section 25, Township 42, Range 27, intersects the meander line of lake commonly known and designated as "Warren Lake": thence North along the west line of said forty a distance of 20 rods; thence West at right angles to the meander line of said Warren Lake; thence in a southeasterly direction to the point of beginning; and

4. Government Lot 2, Section 26, Township 42 North, Range 27 West, Mille Lacs County, Minnesota.

Sec. 7. **DELETIONS FROM STATE PARKS.**

Subdivision 1. [85.012] [Subd. 21.] **Lake Bemidji State Park, Beltrami County.** The following area is deleted from Lake Bemidji State Park, all in Beltrami County: that part of Government Lot 5, Section 24, Township 147 North, Range 33 West, Beltrami County, Minnesota described as follows: Commencing at the most easterly corner of Lot 2, Block 1, Shady Cove, according to the recorded plat thereof; thence northeasterly along the northeasterly extension of the line between Lots 1 and 2, Block 1 in said plat, a distance of 66.00 feet, to the point of
beginning of the land to be described; thence continuing along last described course a distance of 150.00 feet; thence deflecting to the left 90 degrees 00 minutes 00 seconds, a distance of 607.70 feet; thence westerly along a line perpendicular to the westerly boundary of said Government Lot 5 to the west line of said Government Lot 5; thence South along the westerly boundary of said Government Lot 5 to intersect a line 66.00 feet northeasterly of, as measured at a right angle to and parallel with the northeasterly line of Block 1, said Shady Cove; thence southeasterly along said parallel line to the point of beginning.

Subd. 2. [85.012] [Subd. 24a.] Great River Bluffs State Park, Winona County. The following areas are deleted from Great River Bluffs State Park, Winona County:

(1) beginning at a point 200 feet West from the southeast corner of Lot 2, Section 26, Township 106 North, Range 5 West; thence West on lot line between Lots 2 and 3, 380 feet; thence North 58 degrees East, 320 feet; thence South 32 degrees East, 205 feet to place of beginning, containing 85/100 of an acre, more or less, Winona County, Minnesota;

(2) commencing at a point 200 feet West from the northeast corner of Lot 3, Section 26, Township 106 North, Range 5 West; thence South 33 degrees East 300 feet; thence South 58 degrees West 290 feet; thence North 32 degrees West, 490 feet to the lot line between Lots 2 and 3; thence East 350 feet to the place of beginning, containing 3 acres, more or less, Winona County, Minnesota;

(3) that part of the recorded plat of East Richmond, Winona County, Minnesota, lying within Section 27, Township 106 North, Range 5 West, that lies northwesterly of the southeasterly line of Jefferson Street, as dedicated in said plat and that lies southeasterly of the southwesterly right-of-way line of U.S. Highway No. 61;

(4) Lots 7 and 8, Block B, of Fern Glen Acres, the same being located upon and forming a part of Government Lot 1, Section 35; Lot 9 in Block B of Fern Glen Acres, township of Richmond, according to the recorded plat thereof; commencing at the southeast corner of Lot 9, Block B, Fern Glen Acres, South 33 degrees East 140 feet; thence South 70 degrees West 208 feet; thence North 33 degrees West 140 feet to the southwest line of Lot 9, Block B, Fern Glen Acres; thence North 57 degrees East on the southwest line of Lot 9, Block B, Fern Glen Acres, to place of beginning, all in Government Lot 1, Section 35, Township 106 North, Range 5 West, containing 3/4 acre more or less;

(5) that part of Government Lot 1, Section 35, Township 106, Range 5, Winona County, Minnesota, which is more particularly bounded and described as follows, to wit: Commencing at the southwest corner of Lot 9 of Block "B" of the Plat of Fern Glen Acres; thence in a northeasterly direction and along the southerly line of said Lot 9 for a distance of 36.0 feet; thence deflect to the right 90 degrees 00 minutes, for a distance of 107.81 feet to an iron pipe which marks the point of beginning; thence continue in a southeasterly direction along the last described course for a distance of 73.78 feet; thence deflect to the left 9 degrees 04 minutes, for a distance of 32.62 feet; thence deflect to the right 90 degrees 00 minutes, for a distance of 73.23 feet; thence deflect to the right 89 degrees 20 minutes, for a distance of 104.04 feet; thence deflect to the right 9 degrees 44 minutes, for a distance of 35.00 feet; thence deflect to the right 90 degrees 00 minutes, for a distance of 64.75 feet; thence deflect to the right on a curve (Delta angle 90 degrees 00 minutes, radius 20.00 minutes) for an arc distance of 31.42 feet, more or less, to the point of beginning;

(6) that part of Government Lot 1, Section 35, Township 106, Range 5, Winona County, Minnesota, which is more particularly bounded and described as follows: Commencing at the southwest corner of Lot 9 of Block "B" of Fern Glen Acres; thence in a northeasterly direction along the southerly line of said Lot 9, a distance of 56.00 feet; thence at a deflection angle to the right of 90 degrees 00 minutes a distance of 180.00 feet to an iron pipe monument which marks the point of beginning; thence at a deflection angle to the left of 80 degrees 56 minutes 00 seconds a distance of 113.20 feet to the southerly right-of-way of U.S. Highway No. 61; thence at a deflection angle to the right of 84 degrees 18 minutes 00 seconds and southeasterly along the southerly right-of-way line of said
U.S. Highway No. 61 a distance of 147.73 feet; thence at a deflection angle to the right of 87 degrees 12 minutes 30 seconds a distance of 193.87 feet; thence at a deflection angle to the right of 88 degrees 45 minutes 30 seconds a distance of 132.18 feet; thence at a deflection angle to the right of 90 degrees 00 minutes 00 seconds a distance of 93.23 feet; thence at a deflection angle to the left of 90 degrees 00 minutes 00 seconds a distance of 30.35 feet, more or less, to the point of beginning;

(7) that part of Government Lot 1, Section 35, Township 106 North, Range 5 West, Winona County, Minnesota, which is more particularly bounded and described as follows: Commencing at the southwest corner of Lot 9 of Block “B” of the Plat of Fern Glen Acres; thence in a northeasterly direction along the southerly line of said Lot 9 a distance of 56.00 feet; thence at a deflection angle to the right of 90 degrees 00 minutes a distance of 180.00 feet; thence at a deflection angle to the left of 9 degrees 04 minutes 00 seconds a distance of 164.29 feet to an iron pipe monument which marks the point of beginning; thence at a deflection angle to the left of 89 degrees 25 minutes 30 seconds a distance of 102.19 feet to the southerly right-of-way line of U.S. Highway No. 61; thence at a deflection angle to the right of 87 degrees 12 minutes 30 seconds a distance of 187.89 feet; thence at a deflection angle to the right of 88 degrees 45 minutes 30 seconds a distance of 85.02 feet; thence at a deflection angle to the right of 91 degrees 14 minutes 30 seconds a distance of 91.68 feet, more or less, to the point of beginning;

(8) that part of Government Lots 1 and 2, Section 35, Township 106, Range 5, Winona County, Minnesota, described as follows: Commencing at the southwest corner of Lot 8 of Fern Glen Acres; thence South 33 degrees East 82.5 feet; thence North 57 degrees East 24.4 feet; thence South 43 degrees 47 minutes 30 seconds East 217.66 feet to an iron pipe in place; thence South 42 degrees 04 minutes 04 seconds East 296.1 feet to an iron pipe and the point of beginning; thence South 48 degrees 30 minutes 30 seconds West 107.35 feet to an iron pipe; thence continuing South 48 degrees 30 minutes 30 seconds West 12.11 feet; thence South 40 degrees 29 minutes 30 seconds East 217.66 feet to an iron pipe, the point of beginning; thence South 48 degrees 30 minutes 30 seconds West 17.56 feet; thence South 41 degrees 53 minutes East 192.4 feet to an iron pipe; thence continuing South 48 degrees 30 minutes 30 seconds East 101.05 feet to an iron pipe being the point of beginning; thence South 48 degrees 30 minutes 30 seconds West 111.83 feet to an iron pipe; thence continuing South 48 degrees 30 minutes 30 seconds West 17.56 feet; thence South 41 degrees 53 minutes East 192.4 feet to an iron pipe; thence North 48 degrees 30 minutes 30 seconds East 94.05 feet to an iron pipe; thence continuing North 48 degrees 30 minutes 30 seconds East 94.05 feet to an iron pipe; thence continuing South 48 degrees 30 minutes 30 seconds West 111.83 feet to an iron pipe; thence continuing South 48 degrees 30 minutes 30 seconds West 12.11 feet; thence South 40 degrees 29 minutes 30 seconds East 217.66 feet to an iron pipe at a point on the southerly boundary line of Minnesota Trunk Highway No. 61 right-of-way; thence along said southerly boundary line a chord distance of 100.7 feet on a bearing North 40 degrees 29 minutes 30 seconds West to an iron pipe; thence South 48 degrees 30 minutes 30 seconds West 80.54 feet to the point of beginning;

(9) that part of Government Lots 1 and 2, Section 35, Township 106 North, Range 5 West, Winona County, Minnesota, described as follows: Commencing at the southwest corner of Lot 8 of Fern Glen Acres; thence South 33 degrees East 82.5 feet; thence North 57 degrees East 24.4 feet; thence South 43 degrees 47 minutes 30 seconds East 217.66 feet to an iron pipe in place; thence South 42 degrees 04 minutes 04 seconds East 296.1 feet to an iron pipe and the point of beginning; thence South 48 degrees 30 minutes 30 seconds West 111.83 feet to an iron pipe; thence continuing South 48 degrees 30 minutes 30 seconds West 12.11 feet; thence South 40 degrees 29 minutes 30 seconds East 217.66 feet to an iron pipe at a point on the southerly boundary line of Minnesota Trunk Highway No. 61 right-of-way; thence along said southerly boundary line a chord distance of 105.95 feet to an iron pipe at a point on the southerly boundary line of U.S. Highway No. 61 right-of-way; thence along said southerly boundary line a chord distance of 192.4 feet on a bearing of North 41 degrees 53 minutes West to an iron pipe; thence South 48 degrees 30 minutes 30 seconds West 70.61 feet to the point of beginning;

(10) that part of Government Lot 2, Section 35, Township 106 North, Range 5 West, Winona County, Minnesota described as follows: Commencing at the southwest corner of Lot 8 of Fern Glen Acres; thence South 33 degrees East 82.5 feet; thence North 57 degrees East 24.4 feet; thence South 43 degrees 47 minutes 30 seconds East 217.66 feet to an iron pipe in place; thence South 42 degrees 04 minutes 04 seconds East 296.1 feet to an iron pipe; thence South 46 degrees 06 minutes 30 seconds East 101.05 feet to an iron pipe being the point of beginning; thence South 48 degrees 30 minutes 30 seconds West 111.83 feet to an iron pipe; thence continuing South 48 degrees 30 minutes 30 seconds West 17.56 feet; thence South 41 degrees 53 minutes East 192.4 feet to an iron pipe; thence North 48 degrees 30 minutes 30 seconds East 94.05 feet to an iron pipe; thence continuing North 48 degrees 30 minutes 30 seconds East 94.05 feet to an iron pipe; thence continuing South 48 degrees 30 minutes 30 seconds West 111.83 feet to an iron pipe; thence continuing South 48 degrees 30 minutes 30 seconds West 12.11 feet; thence South 40 degrees 29 minutes 30 seconds East 217.66 feet to an iron pipe at a point on the southerly boundary line of Minnesota Trunk Highway No. 61 right-of-way; thence along said southerly boundary line a chord distance of 192.4 feet on a bearing of North 41 degrees 53 minutes West to an iron pipe; thence South 48 degrees 30 minutes 30 seconds West 70.61 feet to the point of beginning;
degrees 09 minutes 30 seconds West to an iron pipe; thence South 48 degrees 30 minutes 30 seconds West 105.95 feet to an iron pipe; thence continuing South 48 degrees 30 minutes 30 seconds West 94.05 feet; thence South 43 degrees 09 minutes 30 seconds East 76.80 feet; thence North 48 degrees 30 minutes 30 seconds East 55.93 feet to an iron pipe; thence continuing North 48 degrees 30 minutes 30 seconds East 91.62 feet to the point of beginning;

(11) that part of Government Lot 2, Section 35, Township 106 North, Range 5 West, Winona County, Minnesota described as follows: Commencing at the southwest corner of Lot 8 of the Plat of Fern Glen Acres; thence South 33 degrees East 82.5 feet; thence North 57 degrees East 24.4 feet; thence South 43 degrees 47 minutes 30 seconds East 217.66 feet to an iron pipe; thence South 42 degrees 04 minutes East 296.1 feet to an iron pipe; thence South 46 degrees 06 minutes 30 seconds East 371.05 feet to an iron pipe which is the point of beginning; thence South 48 degrees 30 minutes 30 seconds West and along the south line of the property heretofore conveyed by Deed in Book 237 of Deeds on Page 693, for a distance of 147.55 feet; thence South 44 degrees 33 minutes 19 seconds East 127.91 feet; thence North 43 degrees 53 minutes 30 seconds West and along the northerly line of the property heretofore conveyed by Deed to Vincent Zanon in Book 252 of Deeds on page 663, for a distance of 200 feet, more or less, to the southerly right-of-way line of U.S. Highway No. 61; thence North 44 degrees 38 minutes 48 seconds West and along said southerly right-of-way line of U.S. Highway No. 61 for a distance of 111.94 feet to an iron pipe in place at the southeast corner of the property heretofore conveyed by Deed in Book 237 of Deeds on page 693; thence South 48 degrees 30 minutes 30 seconds West 52.45 feet, more or less, to the point of beginning;

(12) that part of Government Lot 2, Section 35, Township 106 North, Range 5 West, Winona County, Minnesota, described as follows: Commencing at the southwest corner of Lot 8 of the Plat of Fern Glen Acres; thence South 33 degrees East 82.5 feet; thence North 57 degrees East 24.4 feet; thence South 43 degrees 47 minutes 30 seconds East 217.66 feet to an iron pipe; thence South 42 degrees 04 minutes East 296.1 feet to an iron pipe; thence South 46 degrees 06 minutes 30 seconds East 371.05 feet to an iron pipe; thence South 48 degrees 30 minutes 30 seconds West and along the south line of the property heretofore conveyed by Deed in Book 237 of Deeds on page 693, for a distance of 147.55 feet; thence South 44 degrees 33 minutes 19 seconds East 127.91 feet to the point of beginning; thence continuing South 44 degrees 33 minutes 19 seconds East 112 feet; thence North 43 degrees 53 minutes 30 seconds East and along the north line of the property heretofore conveyed by Deed in Book 240 of Deeds on page 367, for a distance of 200 feet to the southerly right-of-way line of U.S. Highway No. 61; thence North 44 degrees 38 minutes 48 seconds West and along the said southerly right-of-way line of U.S. Highway No. 61 for a distance of 112 feet; thence South 43 degrees 53 minutes 30 seconds West for a distance of 200 feet, more or less, to the point of beginning; and

(13) that part of Government Lot 2, Section 35, Township 106 North, Range 5 West, Winona County, Minnesota, described as follows: Commencing at the southwest corner of Lot 8, Block "B" of Fern Glen Acres; thence South 33 degrees East 82.5 feet; thence North 57 degrees East 24.4 feet; thence South 43 degrees 47 minutes 30 seconds East 217.66 feet to an iron pipe; thence South 42 degrees 04 minutes East 296.1 feet to an iron pipe; thence South 46 degrees 06 minutes 30 seconds East 371.05 feet to an iron pipe; thence South 48 degrees 30 minutes 30 seconds West and along the northerly line of the property heretofore conveyed by Deed in Book 61-right-of-way; thence along said southerly boundary line a chord distance of 73.05 feet, bearing South 43 degrees 32 minutes West 39.10 feet to an iron pipe, the point of beginning; thence North 43 degrees 53 minutes 30 seconds East 46.54 feet to a point on the southerly boundary line of Trunk Highway No. 61 right-of-way; thence along said southerly boundary line a chord distance of 7.00 feet, bearing South 45 degrees 00 minutes East; thence continuing along said southerly boundary line a chord distance of 28.50 feet bearing South 46 degrees 00 minutes East; thence South 45 degrees 00 minutes West 41.95 feet to an iron pipe in place; thence South 33 degrees 32 minutes West 255.0 feet; thence North 43 degrees 30 minutes 22 seconds West 146.84 feet; thence North 43 degrees 53 minutes 30 seconds East 184.1 feet to an iron pipe; thence North 43 degrees 53 minutes 30 seconds East 65.9 feet to the point of beginning.

Sec. 8. RUM RIVER WILD AND SCENIC RIVER AREA.

(a) The commissioner of natural resources shall remove the following land within the Rum River Wild and Scenic River Area in Mille Lacs County from the Minnesota wild and scenic rivers program under Minnesota Statutes, sections 103F.301 to 103F.345: the West Half of the East Half of the Northeast Quarter of Section 14, Township 38, Range 27, and the Northeast Quarter of the Northeast Quarter of the Northwest Quarter of said section, township, and range.
(b) The commissioner shall amend Minnesota Rules, chapter 6105, and the management plan for the area to reflect this change. The commissioner may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to amend rules under this section. Minnesota Statutes, section 14.386, does not apply except as provided in Minnesota Statutes, section 14.388.

ARTICLE 2
LAND SALES

Section 1. Laws 2007, chapter 131, article 2, section 38, is amended to read:

Sec. 38. PUBLIC OR PRIVATE SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; WASHINGTON COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may sell by public or private sale the surplus land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. If sold by private sale, the commissioner may only sell the land to a governmental subdivision of the state. If sold by private sale, the conveyance may be for less than the value of the land as determined by the commissioner, but the conveyance must provide that the land be used for the public and reverts to the state if the governmental subdivision fails to provide for public use or abandons the public use of the land.

(c) The land that may be sold is located in Washington County and is described as follows, Parcels A and B containing altogether 31.55 acres, more or less:

(1) Parcel A: all that part of the North Half of the Southeast Quarter, Section 30, Township 30 North, Range 20 West, bounded by the following described lines: commencing at the east quarter corner of said Section 30; thence on an assumed bearing of North 88 degrees 13 minutes 48 seconds West, 399.98 feet on and along the east-west quarter line of said Section 30 to the point of beginning; thence North 88 degrees 13 minutes 48 seconds West, 504.57 feet on and along the said east-west quarter line; thence South 17 degrees 54 minutes 26 seconds West, 1377.65 feet to a point on the south 1/16 line of said Section 30; thence South 88 degrees 10 minutes 45 seconds East, 504.44 feet on and along the south 1/16 line of said Section 30; thence North 17 degrees 54 minutes 26 seconds East, 1378.11 feet to the point of beginning; and

(2) Parcel B: all that part of the North Half of the Southeast Quarter, Section 30, Township 30 North, Range 20 West, bounded by the following described lines: commencing at the east quarter corner of said Section 30; thence on an assumed bearing of North 88 degrees 13 minutes 48 seconds West, 904.55 feet along the east-west quarter line of said Section 30 to the point of beginning; thence South 17 degrees 54 minutes 26 seconds West, 1377.65 feet to a point on the south 1/16 line of said Section 30; thence North 88 degrees 10 minutes 45 seconds East, 369.30 feet along said south 1/16 line; thence South 42 degrees 24 minutes 47 seconds West, 488.11 feet; thence North 42 degrees 24 minutes 47 seconds West, 248.00 feet; thence North 02 degrees 59 minutes 30 seconds East, 1378.11 feet to a point on the east-west quarter line of said Section 30; thence South 88 degrees 10 minutes 45 seconds East, 236.03 feet along said east-west quarter line to the point of beginning.

(d) The land borders Long Lake and is not contiguous to other state lands. The land was donated to the state with the understanding that the land would be used as a wildlife sanctuary. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.
Sec. 2. Laws 2008, chapter 368, article 1, section 34, is amended to read:

Sec. 34. PRIVATE SALE OF SURPLUS STATE LAND; HENNEPIN COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 94.09 and 94.10 to 94.16, the commissioner of natural resources may sell by private sale to the city of Wayzata the surplus land that is described in paragraph (c) upon verification that the city has acquired the adjacent parcel, currently occupied by a gas station.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The commissioner may sell the land described in paragraph (c) to the city of Wayzata, for less than the value of the land as determined by the commissioner no more than $100,000 plus transaction costs, but the conveyance must provide that the land described in paragraph (c) be used for a public road and reverts to the state if the city of Wayzata fails to provide for public use of the land as a road or abandons the public use of the land.

(c) The land that may be sold is located in Hennepin County and is described as: Tract F, Registered Land Survey No. 1168.

(d) The Department of Natural Resources has determined that the state's land management interests would best be served if the land was conveyed to the city of Wayzata.

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

Sec. 3. PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; AITKIN COUNTY.

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell by public sale the surplus land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Aitkin County and is described as:

(1) parts of Government Lot 3, Section 33, and the Southeast Quarter of the Southwest Quarter, Section 28, all in Township 50 North, Range 23 West, Aitkin County, Minnesota, described as follows:

Commencing at the north quarter corner of said Section 33; thence South 88 degrees 07 minutes 19 seconds West, assumed bearing, along the northerly line of said Government Lot 3, a distance of 1020.00 feet to the point of beginning of the tract to herein be described; thence North 1 degree 52 minutes 41 seconds West 660.00 feet; thence South 88 degrees 07 minutes 19 seconds West 300 feet; thence South 1 degree 52 minutes 41 seconds East 660.00 feet to the northerly line of said Government Lot 3; thence South 88 degrees 07 minutes 19 seconds West 15.08 feet to the northwest corner of said Government Lot 3; thence North 1 degree 08 minutes 57 seconds East 326.00 feet, more or less, to the shoreline of Big Sandy Lake Reservoir; thence easterly along the said shoreline to a point which bears South 1 degree 52 minutes 41 seconds East from the point of beginning; thence North 1 degree 52 minutes 41 seconds West 330.00 feet, more or less, to the point of beginning of the tract to herein be described and there terminating, containing 3.89 acres, more or less; and

(2) those parts of Government Lot 3, Section 33 and the Southeast Quarter of the Southwest Quarter, Section 28, all in Township 50 North, Range 23 West, described as follows:
Commencing at the north quarter corner of said Section 33; thence South 88 degrees 07 minutes 19 seconds West, assumed bearing, along the northerly line of said Government Lot 3, a distance of 920.00 feet to the point of beginning of the tract to herein be described; thence North 1 degree 52 minutes 41 seconds West 660.00 feet; thence South 88 degrees 07 minutes 19 seconds West 100.00 feet; thence South 1 degree 52 minutes 41 seconds East 990.00 feet, more or less, to the shoreline of Big Sandy Lake Reservoir; thence easterly along the said shoreline to a point which bears South 1 degree 52 minutes 41 seconds East from the point of beginning; thence North 1 degree 52 minutes 41 seconds West 341.60 feet, more or less, to the point of beginning of the tract to herein be described and there terminating.

(d) The land borders Big Sandy Lake. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 4. **PRIVATE SALE OF SURPLUS STATE LAND; ANOKA COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 94.09 and 94.10, the commissioner of natural resources may sell by private sale to the city of Ham Lake the surplus land that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Anoka County and is described as:

That part of Government Lot 1, Section 20, Township 32 North, Range 23 West, described as follows: beginning at the quarter corner on the east line of Section 20, thence northerly along the east line of said Section 20, a distance of 1,250 feet; thence westerly and parallel to the east and west quarter line of Section 20, a distance of 400 feet; thence southerly and parallel to the east line of Section 20, a distance of 750 feet; thence westerly and parallel to the east and west quarter line of Section 20, a distance of 750 feet; thence southerly and parallel to the east line of Section 20, a distance of 500 feet, to the east and west quarter line of Section 20; thence easterly along the quarter line a distance of 1,150 feet to the point of beginning, containing 20 acres, more or less.

(d) The city of Ham Lake currently leases the state land for a hiking trail in connection with Anoka County's management of adjacent public lands used for a county park. The Department of Natural Resources has determined that the state's land management interests would best be served if the land was conveyed to the city of Ham Lake.

Sec. 5. **PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; ANOKA COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell by public sale the surplus land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Anoka County and is described as: the Northwest Quarter of the Northeast Quarter, Section 36, Township 34 North, Range 24 West, containing 40 acres, more or less.

(d) The land borders Sand Shore Lake and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.
Sec. 6. **PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; BELTRAMI COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell by public sale the surplus land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Beltrami County and is described as: Government Lot 7, Section 25, Township 149 North, Range 33 West, containing 22 acres, more or less.

(d) The land borders Bass Lake. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 7. **PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; BELTRAMI COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell by public sale the surplus land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Beltrami County and is described as: the West Half of the Northwest Quarter, Section 29, Township 147 North, Range 34 West, containing 80 acres, more or less.

(d) The land borders Grant Creek. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 8. **PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; CASS COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell by public sale the surplus land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Cass County and is described as: Lot 21 of Longwood Point, according to the map or plat thereof on file and of record in the Office of the County Recorder in and for Cass County, Minnesota, in Section 5, Township 139 North, Range 26 West, containing 3.03 acres, more or less.

(d) The land borders Washburn Lake. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 9. **PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; CASS COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell by public sale the surplus land bordering public water that is described in paragraph (c).
(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Cass County and is described as: Government Lots 5 and 6, Section 3, Township 141 North, Range 27 West, containing 81.15 acres, more or less.

(d) The land borders Mable Lake and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 10. **PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; CASS COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell by public sale the surplus land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Cass County and is described as: that part of Government Lot 4, Section 8, Township 140 North, Range 31 West, Cass County, Minnesota, lying southerly and westerly of the following described lines: Commencing at the southeast corner of said Government Lot 4; thence North 01 degree 39 minutes 59 seconds West on an assumed bearing along the east line of said Government Lot 4 a distance of 420.54 feet to the POINT OF BEGINNING; thence North 87 degrees 57 minutes 14 seconds West a distance of 481.15 feet; thence southwesterly along a tangential curve concave to the southeast having a radius of 145.00 feet, a central angle of 69 degrees 00 minutes 00 seconds, for a distance of 174.61 feet; thence South 23 degrees 02 minutes 46 seconds West, tangent to said curve, a distance of 255 feet, more or less, to the centerline of the old County Road; thence northwesterly, westerly, and southwesterly a distance of 520 feet along said centerline to the point of intersection with the centerline of County State-Aid Highway No. 6; thence northwesterly a distance of 414.53 feet along the centerline of said County State-Aid Highway No. 6 to the point of intersection with the west line of said Government Lot 4 and there terminating. Containing 11.16 acres, more or less.

(d) The land borders Ten Mile Lake. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 11. **PRIVATE SALE OF SURPLUS LAND; CLEARWATER COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 94.09 and 94.10, the commissioner of natural resources may sell by private sale the surplus land that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The commissioner may sell the land to the White Earth Band of Ojibwe for less than the value of the land as determined by the commissioner, but the conveyance must provide that the land be used for the public and reverts to the state if the band fails to provide for public use or abandons the public use of the land. The conveyance may reserve an easement for ingress and egress.

(c) The land that may be sold is located in Clearwater County and is described as: the West 400 feet of the South 750 feet of Government Lot 3, Section 31, Township 145 North, Range 38 West, containing 6.89 acres, more or less.

(d) The Department of Natural Resources has determined that the land and building are no longer needed for natural resource purposes.
Sec. 12. **PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; CROW WING COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell by public sale the surplus land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Crow Wing County and is described as:

- (1) Government Lot 3, Section 9, Township 136 North, Range 28 West, containing 39.25 acres, more or less; and
- (2) Government Lot 2, Section 9, Township 136 North, Range 28 West, containing 25.3 acres, more or less.

(d) The land borders Shaffer Lake and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 13. **PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; CROW WING COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell by public sale the surplus land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Crow Wing County and is described as: the North 1,000 feet of Government Lot 3, Section 25, Township 136 North, Range 27 West, excepting that portion which lies North and East of F.A.S #11, containing 32 acres, more or less.

(d) The land borders the Pine River. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 14. **CITY OF EAGAN; AUTHORITY TO EXCHANGE LAND; DAKOTA COUNTY.**

The portion of land conveyed to the city of Eagan under Laws 1995, chapter 159, now described as Parcel No. 10-30601-090-00, Outlot I, Gopher Eagan Industrial Park 2nd Addition, may be used for a colocation facility that provides secured space for public and private Internet and telecommunications network equipment and servers, notwithstanding the provision that the land reverts to the state if it is not used for public park or open space purposes. The commissioner of revenue is authorized to issue a state deed that provides for the land described above to be used for this purpose. The colocation facility must not be used by the municipality to provide voice, video, or Internet access services to the residents or businesses located in the city of Eagan. Nothing in this section is intended to restrict or limit the city of Eagan from communicating with its residents and businesses regarding governmental information and providing for the delivery of electronic services.

Sec. 15. **PRIVATE SALE OF SURPLUS LAND; FILLMORE COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 94.09 and 94.10, the commissioner of natural resources may sell by private sale the surplus land that is described in paragraph (c).
(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Fillmore County and is described as:

That part of the Northwest Quarter of the Northwest Quarter of Section 2, Township 103 North, Range 10 West, described as follows: commencing at the northeast corner of the North Half of the Northwest Quarter of said Section 2; thence on an assumed bearing of South 89 degrees 22 minutes 48 seconds West, along the north line of said North Half of the Northwest Quarter, 500.09 feet; thence South 33 degrees 21 minutes 11 seconds West, 1,520.38 feet; thence North 00 degrees 37 minutes 12 seconds West, 540.85 feet; thence south 89 degrees 22 minutes 48 seconds West, 630.00 feet to the point of beginning of the land to be described; thence North 00 degrees 37 minutes 12 seconds West, 551.74 feet to the center line of Goodview Drive; thence North 89 degrees 22 minutes 48 seconds West, 630.00 feet to the point of beginning of the land to be described; thence North 00 degrees 37 minutes 12 seconds West, 551.74 feet to the center line of Goodview Drive; thence North 89 degrees 22 minutes 48 seconds West, 630.00 feet to the point of beginning. Subject to the right-of-way of said Goodview Drive. Containing 4.53 acres, more or less.

(d) The sale would be to the Eagle Bluff Environmental Learning Center for installation of a geothermal heating system for the center’s adjacent educational facilities. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 16. **PRIVATE SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; HENNEPIN COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may sell by private sale to the city of St. Louis Park the surplus land that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The commissioner may sell to the city of St. Louis Park for less than the value of the land as determined by the commissioner, but the conveyance must provide that the land described in paragraph (c) be used for the public and reverts to the state if the city of St. Louis Park fails to provide for public use or abandons the public use of the land.

(c) The land that may be sold is located in Hennepin County and is described as:

A strip of land 130 feet wide in the Southeast Quarter of the Northwest Quarter of Section 20, Township 117 North, Range 21 West, the center line of which strip has its beginning at a point on the west boundary of said Southeast Quarter of the Northwest Quarter, and 753.8 feet distant from the south boundary line of said Southeast Quarter of the Northwest Quarter, and continued thence east on a line parallel with the south boundary line of said Southeast Quarter of the Northwest Quarter for a distance of 1,012 feet, containing 3.02 acres, more or less.

(d) The land is adjacent to Minnehaha Creek and adjacent to other lands managed by the city of St. Louis Park. The Department of Natural Resources has determined that the state’s land management interest would best be served if the land were conveyed to the city of St. Louis Park.
Sec. 17. PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; HUBBARD COUNTY.

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell by public sale the surplus land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Hubbard County and is described as: those parts of Government Lot 4 and the Southwest Quarter of the Southwest Quarter, Section 16, Township 143 North, Range 34 West, Hubbard County, Minnesota, lying southerly and easterly of Minnesota Department of Transportation Right-of-Way Plat Numbered 29-18 and Minnesota Department of Transportation Right-of-Way Plat Numbered 29-2 as the same is on file and of record in the Office of the County Recorder for Hubbard County, Minnesota, and lying westerly of the East 600 feet of said Government Lot 4, containing 14.6 acres, more or less.

(d) The land borders Lake Paine. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 18. PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; ITASCA COUNTY.

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell by public sale the surplus land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Itasca County and is described as: Lot 23, Eagle Point Plat, Section 11, Township 59 North, Range 25 West, containing 0.31 acres, more or less.

(d) The land borders Eagle Lake and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 19. APPORTIONMENT OF PROCEEDS; TAX-FORFEITED LANDS; ITASCA COUNTY.

Notwithstanding the provisions of Minnesota Statutes, chapter 282, and any other law relating to the apportionment of proceeds from the sale of tax-forfeited land, Itasca County may deposit proceeds from the sale of tax-forfeited lands into a tax-forfeited land replacement trust fund created in Laws 2006, chapter 236, article 1, section 43, as amended by Laws 2008, chapter 368, article 1, section 18. The principal and interest from these proceeds may be spent only on the purchase of lands to replace the tax-forfeited lands sold to Minnesota Steel Industries or for lands better suited for retention by Itasca County. Lands purchased with the land replacement fund must:

(1) become subject to a trust in favor of the governmental subdivision wherein they lie and all laws related to tax-forfeited lands; and

(2) be for forest management purposes and dedicated as memorial forest under Minnesota Statutes, section 459.06, subdivision 2.
Sec. 20. **PUBLIC SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; KITTSON COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, Kittson County may sell the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Kittson County and is described as: that certain parcel situate in the Southwest Quarter of Section 10; Township 163 North, Range 48 West, described as follows: beginning at the southeast corner of said Southwest Quarter of said Section 10; thence West along the south boundary line of said Southwest Quarter a distance of 1,900 feet; thence North and parallel to the east boundary line of said Southwest Quarter a distance of 1,050 feet; thence East and parallel to the south boundary line of said Southwest Quarter a distance of 750 feet; thence southeasterly in a straight line to the point of beginning.

Sec. 21. **PRIVATE SALE OF SURPLUS STATE LAND; MURRAY COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 94.09 and 94.10, the commissioner of natural resources may sell by private sale to the township of Murray the surplus land that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general and may be for consideration less than the appraised value of the land. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land to be sold is located in Murray County and is described as: that part of Government Lot 6, that part of Government Lot 7, and that part of Government Lot 8 of Section 6, Township 107 North, Range 40 West, and that part of Government Lot 1 and that part of Government Lot 2 of Section 7, Township 107 North, Range 40 West, Murray County, Minnesota, described as follows: Commencing at the east quarter corner of said Section 6; thence on a bearing based on the 1983 Murray County Coordinate System (1996 Adjustment), of South 00 degrees 17 minutes 23 seconds East 1247.75 feet along the east line of said Section 6; thence South 88 degrees 39 minutes 00 seconds West 1942.74 feet; thence South 03 degrees 33 minutes 00 seconds West 33 minutes 00 seconds West 94.92 feet to the northeast corner of Block 5 of FORMAN ACRES, according to the recorded plat thereof on file and of record in the Murray County Recorder's Office; thence South 14 degrees 34 minutes 34 minutes 00 seconds West 525.30 feet along the easterly line of said Block 5 and along the easterly line of the private roadway of FORMAN ACRES to the southeasterly corner of said private roadway to the point of beginning; thence North 96 degrees 03 minutes 00 seconds West 796.30 feet along the northerly line of said private roadway to an angle point on said line and an existing 1/2 inch diameter rebar; thence South 64 degrees 28 minutes 26 seconds West 100.06 feet along the southerly line of said private roadway to an angle point on said line and an existing 1/2 inch diameter rebar; thence South 33 degrees 01 minute 32 seconds West 279.60 feet along the southerly line of said private roadway to an angle point on said line; thence South 76 degrees 04 minutes 52 seconds West 766.53 feet along the southerly line of said private roadway to a 3/4 inch diameter rebar with a plastic cap stamped "MN DNR LS 17003" (DNR MON); thence South 16 degrees 24 minutes 50 seconds West 470.40 feet to a DNR MON; thence South 24 degrees 09 minutes 57 seconds West 262.69 feet to a DNR MON; thence South 08 degrees 07 minutes 09 seconds West 332.26 feet to a DNR MON; thence North 51 degrees 40 minutes 02 seconds West 341.79 feet to the east line of Lot A of Lot 1 of Lot A OF GOVERNMENT LOT 8, OF SECTION 6 AND LOT A OF GOVERNMENT LOT 1, OF SECTION 7, TOWNSHIP 107, RANGE 40, according to the recorded plat thereof on file and of record in the Murray County Recorder's Office and a DNR MON; thence South 14 degrees 28 minutes 55 seconds West 71.98 feet along the east line of said Lot A to the northerly most corner of Lot 36 of HUDSON ACRES, according to the record plat thereof on file and of record in the Murray County Recorder's Office and an existing steel fence post; thence South 51
degrees 37 minutes 05 seconds East 418.97 feet along the northeasterly line of said Lot 36 and along the
northeasterly line of Lots 35, 34, 33, 32 of HUDSON ACRES to an existing 1-inch inside diameter iron pipe
marking the easterly most corner of Lot 32 and the most northerly corner of Lot 31A of HUDSON ACRES; thence
South 48 degrees 33 minutes 10 seconds East 298.26 feet along the northeasterly line of said Lot 31A to an existing
1 1/2-inch inside diameter iron pipe marking the easterly most corner thereof and the most northerly corner of
Lot 31 of HUDSON ACRES; thence South 33 degrees 53 minute 30 seconds East 224.96 feet along the
northeasterly line of said Lot 31 and along the northeasterly line of Lots 30 and 29 of HUDSON ACRES to an
existing 1 1/2-inch inside diameter iron pipe marking the easterly most corner of said Lot 29 and the most northerly
corner of Lot 28 of HUDSON ACRES; thence South 45 degrees 23 minutes 54 seconds East 375.07 feet along the
northeasterly line of said Lot 28 and along the northeasterly line of Lots 27, 26, 25, 24 of HUDSON ACRES to an
existing 1 1/2-inch inside diameter iron pipe marking the easterly most corner of said Lot 24 and the most northerly
corner of Lot 23 of HUDSON ACRES; thence South 64 degrees 39 minutes 53 seconds East 226.80 feet along the
northeasterly line of said Lot 23 and along the northeasterly line of Lots 22 and 21 of HUDSON ACRES to an
existing 1 1/2-inch inside diameter iron pipe marking the easterly most corner of said Lot 21 and the most northerly
corner of Lot 20 of HUDSON ACRES; thence South 39 degrees 49 minutes 30 seconds East 226.80 feet along the
northeasterly line of said Lot 20 and along the northeasterly line of Lots 19, 18, 17, 16, 15, 14 of HUDSON ACRES
to an existing 1 1/2-inch inside diameter iron pipe marking the easterly most corner of said Lot 14 and the most
northerly corner of Lot 13 of HUDSON ACRES; thence South 55 degrees 31 minutes 43 seconds East 225.11 feet
along the northeasterly line of said Lot 13 and along the northeasterly line of Lots 12 and 11 of HUDSON ACRES
to an existing 1 1/2-inch inside diameter iron pipe marking the easterly most corner of said Lot 11 and the northwest
corner of Lot 10 of HUDSON ACRES; thence South 88 degrees 07 minutes 40 seconds West 201.13 feet along the
north line of said Lot 10 and along the north line of Lots 9 and 8 of HUDSON ACRES to an existing 1 1/2-inch
inside diameter iron pipe marking the northwest corner of said Lot 8 and the northwest corner of Lot 7 of HUDSON
ACRES; thence North 84 degrees 07 minutes 37 seconds East 525.01 feet along the north line of said Lot 7 and
along the north line of Lots 6, 5, 4, 3, 2, 1 of HUDSON ACRES to an existing 1 1/2-inch inside diameter iron pipe
marking the northeast corner of said Lot 1 of HUDSON ACRES; thence southeasterly, easterly, and northerly along
a nontangential curve concave to the North having a radius of 50.00 feet, central angle 138 degrees 42 minutes 00
seconds, a distance of 121.04 feet, chord bears North 63 degrees 30 minutes 12 seconds East; thence continuing
northwesterly and westerly along the previously described curve concave to the South having a radius of 50.00 feet,
central angle 138 degrees 42 minutes 00 seconds, a distance of 121.04 feet, chord bears North 75 degrees 11 minutes
47 seconds West and a DNR MON; thence South 84 degrees 09 minutes 13 seconds West not tangent to said curve
520.52 feet to a DNR MON; thence North 88 degrees 07 minutes 40 seconds West 201.13 feet to a DNR MON;
thence North 55 degrees 32 minutes 12 seconds West 196.66 feet to a DNR MON; thence North 39 degrees 49
minutes 59 seconds West 530.34 feet to a DNR MON; thence North 64 degrees 41 minutes 41 seconds West 230.01
feet to a DNR MON; thence North 45 degrees 23 minutes 00 seconds West 357.33 feet to a DNR MON; thence
North 33 degrees 53 minutes 30 seconds West 226.66 feet to a DNR MON; thence North 48 degrees 30 minutes 31
seconds West 341.45 feet to a DNR MON; thence North 08 degrees 07 minutes 09 seconds East 359.28 feet to a
DNR MON; thence North 24 degrees 09 minutes 57 seconds East 257.86 feet to a DNR MON; thence North 16
degrees 24 minutes 50 seconds East 483.36 feet to a DNR MON; thence North 76 degrees 04 minutes 52 seconds
East 715.53 feet to a DNR MON; thence North 33 degrees 01 minute 32 seconds East 282.54 feet to a DNR MON;
thence North 64 degrees 28 minutes 26 seconds East 84.97 feet to a DNR MON; thence South 82 degrees 15
minutes 00 seconds East 788.53 feet to a DNR MON; thence North 07 degrees 45 minutes 07 seconds East 26.00
feet to the point of beginning; containing 7.55 acres.

(d) The Department of Natural Resources has determined that the state's land management interests would best
be served if the lands were conveyed to the township of Murray.

Sec. 22. CONVEYANCE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; RED LAKE
COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale
provisions of Minnesota Statutes, chapter 282, Red Lake County may convey to the city of Red Lake Falls for no
consideration the tax-forfeited land bordering public water that is described in paragraph (c).
(b) The conveyance must be in a form approved by the attorney general and provide that the land reverts to the state if the city of Red Lake Falls fails to provide for the public use described in paragraph (d) or abandons the public use of the land. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be conveyed is located in Red Lake County and is described as follows: all that part of Block 5 which lies North of Block 6 and West of a line which is a projection northerly of the west line of Lot 11 of said Block 6, all in Mill Reserve Addition, containing approximately 500 feet frontage on the Clearwater River.

(d) The city will use the land to establish a public park.

Sec. 23. PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell by public sale the surplus land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in St. Louis County and is described as: Government Lot 4, Section 36, Township 58 North, Range 16 West, St. Louis County, Minnesota, EXCEPTING therefrom that part platted as SILVER LAKE SHORES according to the plat on file and of record in the Office of the Recorder for St. Louis County, Minnesota, containing 7.88 acres, more or less.

(d) The land borders Silver Lake and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 24. PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell by public sale the surplus land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy. The commissioner may not sell any part of the land described in paragraph (c) that is being used for airport purposes by the city of Eveleth or is proposed to be used for airport purposes by the city of Eveleth.

(c) The land that may be sold is located in St. Louis County and is described as: the Northeast Quarter of the Northwest Quarter, Section 16, Township 57 North, Range 17 West, St. Louis County, Minnesota, except that part of the North 10 feet thereof lying East of St. Mary's Lake and also except that part lying East of County State-Aid Highway 132, containing 26.5 acres, more or less.

(d) The land borders St. Mary's Lake and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 25. PRIVATE SALE OF TAX-FORFEITED LAND; ST. LOUIS COUNTY.

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, St. Louis County shall sell by private sale the tax-forfeited land described in paragraph (c) to the nearest private landowner who has owned proximate land for at least 70 years.
(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in St. Louis County and is described as: Lots 150 and 151, NE 1/4 Sec. 6, Twp. 62, Rge. 15 W.

(d) The county has determined that the county’s land management interests would best be served if the lands were returned to private ownership.

Sec. 26. PUBLIC SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, St. Louis County may sell the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyances must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy. The conveyances must include any easements or deed restrictions specified in paragraph (c).

(c) The lands to be sold are located in St. Louis County and are described as:

(1) the East Half of the East Half of the Southwest Quarter of the Southwest Quarter, Section 5, Township 50 North, Range 14 West. Conveyance of this land must provide, for no consideration, an easement to the state that is 75 feet in width on each side of the centerline of East Branch Chester Creek, to provide riparian protection and angler access;

(2) the East Half of the East Half of the Southeast Quarter of the Southwest Quarter, Section 5, Township 50 North, Range 14 West. Conveyance of this land must provide, for no consideration, an easement to the state that is 75 feet in width on each side of the centerline of East Branch Chester Creek, to provide riparian protection and angler access;

(3) the West Half of the East Half of the Southeast Quarter of the Southwest Quarter, Section 5, Township 50 North, Range 14 West. Conveyance of this land must provide, for no consideration, an easement to the state that is 75 feet in width on each side of the centerline of East Branch Chester Creek, to provide riparian protection and angler access;

(4) the West Half of the East Half of the Northwest Quarter of the Southwest Quarter and the West Half of the East Half of the Southwest Quarter of the Southwest Quarter, Section 4, Township 51 North, Range 17 West;

(5) all that part or strip lying North of the Savanna River, about 3 to 4 acres of the Southeast Quarter of the Northeast Quarter, Section 7, Township 51 North, Range 20 West;

(6) Government Lot 1, Section 18, Township 53 North, Range 18 West;

(7) the Southwest Quarter of the Northeast Quarter, Section 34, Township 53 North, Range 19 West;

(8) Lot 2, Jingwak Beach 1st Addition, town of Cotton, Section 20, Township 54 North, Range 16 West;

(9) Lot 4, Jingwak Beach 1st Addition, town of Cotton, Section 20, Township 54 North, Range 16 West;
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(10) Lots 1, 2, 3, and 4, 1st Addition to Strand Lake, Section 20, Township 54 North, Range 16 West;

(11) the Southeast Quarter of the Southwest Quarter, Section 1, Township 55 North, Range 20 East. Conveyance of this land must provide, for no consideration, an easement to the state that is 75 feet in width on each side of the centerline of East Swan River, to provide riparian protection and angler access;

(12) that part of the Northeast Quarter of the Northwest Quarter beginning at the intersection of the east line of Highway 4 with the north line of the Northeast Quarter of the Northwest Quarter; thence South 500 feet; thence East 350 feet; thence North 500 feet; thence West 350 feet to the point of beginning, Section 19, Township 57 North, Range 15 West. Conveyance of this land must provide, for no consideration, an easement to the state that is 75 feet in width on each side of the centerline of the unnamed stream, to provide riparian protection and angler access. Where there is less than 75 feet from the centerline of the stream channel to the north property line, the easement shall be granted to the north property line;

(13) the West Half of Lot 1, Section 22, Township 58 North, Range 16 West. Conveyance of this land must provide, for no consideration, a 33-foot road easement to the state for access to Black Lake. The conveyance must include a deed restriction prohibiting buildings, structures, tree cutting, removal of vegetation, and shoreland alterations across a 75-foot strip from the ordinary high water mark, except a 15-foot strip is allowed for lake access and a dock; and

(14) the South Half of the Northwest Quarter of the Northwest Quarter, except the North Half of the Southwest Quarter, Section 32, Township 62 North, Range 18 West. Conveyance of this land must provide, for no consideration, an easement to the state that is 105 feet in width on each side of the centerline of Rice River, to provide riparian protection and angler access.

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 27. PRIVATE SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, St. Louis County may sell by private sale the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyances must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy. The conveyances must include any easements or deed restrictions specified in paragraph (c).

(c) The lands to be sold are located in St. Louis County and are described as:

(1) an undivided 1369/68040 interest, Lot 8, Section 16, Township 50 North, Range 17 West;

(2) an undivided 1470/10080 interest, Lot 5, Section 17, Township 50 North, Range 17 West;

(3) an undivided 23/288 interest, Northeast Quarter of the Northeast Quarter, Section 21, Township 50 North, Range 17 West;

(4) an undivided 23/288 interest, Northwest Quarter of the Northeast Quarter, Section 21, Township 50 North, Range 17 West;
(5) the easterly 200 feet of the Northwest Quarter of the Southeast Quarter lying South of the river, Section 21, Township 58 North, Range 15 West. The conveyance must include a deed restriction that limits removal of live trees, shrubs, and green plants to 25 percent of the parcel; and

(6) that part of Lot 7 beginning at a point 530 feet East of the southwest corner; thence North 30 degrees East 208 feet; thence North 55 degrees East 198 feet; thence 10 feet more or less on the same line to the waters edge; thence South along the waters edge to the south boundary line of Lot 7; thence 10 feet West; thence West on the same line 198 feet to the point of beginning, Section 5, Township 62 North, Range 16 West. The conveyance must include a deed restriction prohibiting buildings, structures, tree cutting, removal of vegetation, and shoreland alterations across a 75-foot strip from the ordinary high water mark.

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 28. PUBLIC OR PRIVATE SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; ST. LOUIS COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, St. Louis County may sell by public or private sale the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in St. Louis County and is described as: Lot 5, Block 1, Williams Lakeview, town of Great Scott, Section 34, Township 60 North, Range 19 West.

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 29. PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; SHERBURNE COUNTY.

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell by public sale the surplus land bordering public water that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Sherburne County and is described as: the Northeast Quarter of the Southwest Quarter, Section 16, Township 33 North, Range 27 West, containing 40 acres, more or less.

(d) The land borders Elk River and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 30. PRIVATE SALE OF SURPLUS LAND BORDERING PUBLIC WATER; TODD COUNTY.

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may sell by private sale the surplus land that is described in paragraph (c). Notwithstanding Minnesota Statutes, section 97A.135, subdivision 2a, the surplus land described in paragraph (c) is vacated from the Grey Eagle Wildlife Management Area upon sale.
(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Todd County and is described as: the East 50.00 feet of the South 165.00 feet of Government Lot 3, Section 16, Township 127 North, Range 33 West, Todd County, Minnesota, containing 0.19 acres, more or less.

(d) The sale would resolve an unintentional trespass by the adjacent owner. While Lot 3 of Section 16, Township 127 North, Range 33 West, borders Bunker Lake, the portion of Lot 3 to be sold does not border public waters. The Department of Natural Resources has determined that the land is not needed for natural resource purposes.

Sec. 31. **PRIVATE SALE OF SURPLUS STATE LAND; WASHINGTON COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 94.09 and 94.10, the commissioner of natural resources may sell by private sale to Afton Alps the surplus land that is described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general and may be for consideration less than the appraised value of the land. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land to be sold is located in Washington County and is described as:

(1) that part of the Southwest Quarter of the Southeast Quarter of Section 3, Township 27, Range 20, Washington County, Minnesota that lies South of the North 800 feet thereof and North of the following described line: Commencing at a point 800 feet South of the northwest corner of said Southwest Quarter of the Southeast Quarter; thence 154 feet East; thence 228 feet East; thence South 430 feet; thence East 930.58 feet; thence North 430 feet, to the point of beginning of the line to be described; thence West to the point of commencement and said line there terminating; and

(2) that part of the North 208 feet of the South 866 feet of the East 208 feet of the Southeast Quarter of the Southeast Quarter of Section 3, Township 27, Range 20, Washington County, Minnesota that lies northwesterly of the following described line: Commencing at the northwest corner of the Southeast Quarter of the Southeast Quarter of said Section 3; thence South along the west line of said Southeast Quarter of the Southeast Quarter, a distance of 900 feet; thence easterly, at a right angle, a distance of 660 feet, to the point of beginning of the line to be described; thence northeasterly to a point on the east line of said Southeast Quarter of the Southeast Quarter distant 275 feet South of the northeast corner thereof, and said line there terminating.

(d) The Department of Natural Resources has determined that the state’s land management interests would best be served if the land were conveyed to the adjacent landowner.

Sec. 32. **VETERANS CEMETERY.**

The commissioner of natural resources shall work with the commissioner of veterans affairs to locate sites throughout the state that would be appropriate for a new veterans cemetery.

Sec. 33. **EFFECTIVE DATE.**

Sections 1 to 32 are effective the day following final enactment."
Delete the title and insert:

"A bill for an act relating to state lands; providing for certain private sales to resolve trespass issues; authorizing acquisition of certain easements; modifying management authority for tax-forfeited lands; adding to and deleting from certain state parks; removing land from the Minnesota wild and scenic rivers program; authorizing public and private sales of surplus state land; modifying previous sales authorization and land description; requiring location of sites for veterans cemetery; amending Minnesota Statutes 2008, sections 84.0273; 282.04, subdivision 1; Laws 2007, chapter 131, article 2, section 38; Laws 2008, chapter 368, article 1, sections 21, subdivisions 4, 5; 34; proposing coding for new law in Minnesota Statutes, chapter 84."

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. 863, A bill for an act relating to energy; allowing carry forward of excess energy savings by power companies; requiring study of conservation improvement program; amending Minnesota Statutes 2008, section 216B.241, subdivision 1c.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 116C.779, subdivision 2, is amended to read:

Subd. 2. Renewable energy production incentive. (a) Until January 1, 2021, up to $10,900,000 annually must be allocated from available funds in the account to fund renewable energy production incentives. $9,400,000 of this annual amount is for incentives for up to 200 megawatts of electricity generated by wind energy conversion systems that are eligible for the incentives under section 216C.41 or Laws 2005, chapter 40.

(b) The balance of this amount, up to $1,500,000 annually, may be used for production incentives for on-farm biogas recovery facilities and hydroelectric facilities that are eligible for the incentive under section 216C.41 or for production incentives for other renewables, to be provided in the same manner as under section 216C.41.

(c) Any funds allocated to incentive payments for wind energy conversion systems under paragraph (a) that are not expended for that purpose must be allocated to incentive payments under paragraph (b) if necessary to fully pay eligible claims for incentive payments to qualified on-farm biogas recovery facilities and hydroelectric facilities.

(d) If funds allocated in calendar year 2010 under paragraphs (b) and (c) are insufficient to fully pay eligible claims for incentive payments to qualified on-farm biogas recovery facilities and hydroelectric facilities, up to $500,000 of additional funds in the renewable development account must be allocated to make up the insufficiency.

(e) Any portion of the $10,900,000 not expended in any calendar year for the incentive is available for other spending purposes under this section. This subdivision does not create an obligation to contribute funds to the account."
(f) The Department of Commerce shall determine eligibility of projects under section 216C.41 for the purposes of this subdivision. At least quarterly, the Department of Commerce shall notify the public utility of the name and address of each eligible project owner and the amount due to each project under section 216C.41. The public utility shall make payments within 15 working days after receipt of notification of payments due.

Sec. 2. Minnesota Statutes 2008, section 116C.779, is amended by adding a subdivision to read:

Subd. 3. Initiative for Renewable Energy and the Environment. (a) Beginning July 1, 2011, and each July 1 thereafter, $5,000,000 must be allocated from the renewable development account to fund a grant to the Board of Regents of the University of Minnesota for the Initiative for Renewable Energy and the Environment for the purposes described in paragraph (b). The Initiative for Renewable Energy and the Environment must set aside at least 15 percent of the funds received annually under the grant for qualified projects conducted at a rural campus or experiment station. Any set-aside funds not awarded to a rural campus or experiment station at the end of the fiscal year revert back to the Initiative for Renewable Energy and the Environment for its exclusive use. This subdivision does not create an obligation to contribute funds to the account.

(b) Activities funded under this grant may include, but are not limited to:

(1) environmentally sound production of energy from a renewable energy source, including biomass;

(2) environmentally sound production of hydrogen from biomass and any other renewable energy source for energy storage and energy utilization;

(3) development of energy conservation and efficient energy utilization technologies;

(4) energy storage technologies; and

(5) analysis of policy options to facilitate adoption of technologies that use or produce low-carbon renewable energy.

(c) For the purposes of this subdivision:

(1) "biomass" means plant and animal material, agricultural and forest residues, mixed municipal solid waste, and sludge from wastewater treatment; and

(2) "renewable energy source" means hydro, wind, solar, biomass, and geothermal energy, and microorganisms used as an energy source.

Sec. 3. Minnesota Statutes 2008, section 117.189, is amended to read:

117.189 PUBLIC SERVICE CORPORATION EXCEPTIONS.

Sections 117.031; 117.036; 117.055, subdivision 2, paragraph (b); 117.186; 117.187; 117.188; and 117.52, subdivisions 1a and 4, do not apply to public service corporations. For purposes of an award of appraisal fees under section 117.085, the fees awarded may not exceed $500 for all types of property.

Sec. 4. Minnesota Statutes 2008, section 216B.16, subdivision 6c, is amended to read:

Subd. 6c. Incentive plan for energy conservation improvement. (a) The commission may order public utilities to develop and submit for commission approval incentive plans that describe the method of recovery and accounting for utility conservation expenditures and savings. In developing the incentive plans the commission shall ensure the effective involvement of interested parties.
(b) In approving incentive plans, the commission shall consider:

(1) whether the plan is likely to increase utility investment in cost-effective energy conservation;

(2) whether the plan is compatible with the interest of utility ratepayers and other interested parties;

(3) whether the plan links the incentive to the utility's performance in achieving cost-effective conservation; and

(4) whether the plan is in conflict with other provisions of this chapter.

(c) The commission may set rates to encourage the vigorous and effective implementation of utility conservation programs. The commission may:

(1) increase or decrease any otherwise allowed rate of return on net investment based upon the utility's skill, efforts, and success in conserving energy;

(2) share between ratepayers and utilities the net savings resulting from energy conservation programs to the extent justified by the utility's skill, efforts, and success in conserving energy; and

(3) compensate the utility for earnings lost as a result of its conservation programs adopt any mechanism that satisfies the criteria of this subdivision.

(d) In its review under section 216B.241, subdivision 2c, the commission shall provide an incentive that makes effective implementation of cost-effective conservation the most profitable resource choice for public utilities.

Sec. 5. Minnesota Statutes 2008, section 216B.16, is amended by adding a subdivision to read:

Subd. 7d. University Avenue light rail transit utility zone cost adjustment. (a) "University Avenue light rail transit utility zone" or "utility zone" means an area extending no more than one-half mile on either side of the route for the planned light rail transit system connecting the cities of Minneapolis and St. Paul along University Avenue.

(b) A public utility that provides retail electric service within the utility zone, and which is required to replace, relocate, construct, or install facilities because of the mass transit system, may apply to the commission for approval of new facilities in the utility zone. Facilities proposed under this subdivision are not limited to those facilities that actually replace dislocated facilities and may include any transmission facilities, distribution facilities, generation facilities, advanced technology-assisted efficiency devices, and energy storage facilities within the utility zone. Upon approval under paragraph (c), the utility may construct and install the facilities.

(c) The commission may approve the construction and installation of facilities in a mass transit utility zone proposed by a utility under paragraph (b) upon a finding:

(1) that the facilities:

   (i) are necessary to provide electric service;

   (ii) assist future development of renewable energy, conservation, electric vehicles, or advanced technology-assisted efficiency programs and devices; or

   (iii) are exploratory, experimental, or research facilities to advance the use of renewable energy, conservation, electric vehicles, or advanced technology-assisted efficiency programs and devices;
(2) that the utility has engaged in a cooperative process with affected local and state government agencies in the
design, planning, or construction of the utility zone project and changes to utility facilities;

(3) that the utility and local units of government have made reasonable efforts to seek federal, state, or private
funds that may be available to mass transit and energy projects;

(4) that the utility has made reasonable efforts to minimize the costs and maximize the value to customers of the
facilities;

(5) that the utility has a plan to offer a comprehensive array of programs for residential, commercial, and
industrial customers located within the mass transit zone;

(6) that the utility direct existing and planned solar energy programs to develop solar energy along the mass
transit utility zone; and

(7) that the utility has made reasonable efforts to apply for federal funds to develop technology-assisted
efficiency programs and devices within the mass transit utility zone.

d) Notwithstanding any other provision of this chapter, the commission may approve a tariff mechanism for
automatic adjustment of charges for new, replaced, or relocated facilities installed under this subdivision in a
manner consistent with this subdivision and the standards and procedures contained in subdivision 7b, except that no
approval under section 216b.243 or certification under section 216b.2425 is required unless otherwise required by
law. This section does not authorize a city-requested facilities surcharge.

e) For the purpose of this subdivision, “technology-assisted efficiency programs and devices” includes, but is
not limited to, infrastructure that integrates digital information and controls technology to improve the reliability,
security, and efficiency of the electric grid.

Sec. 6. [216b.1613] STANDARIZED C-BED CONTRACT.

(a) Within 60 days of the effective date of this section, the commission shall initiate a proceeding to standardize
all contract provisions, except those establishing the power purchase price, for two classes of C-BED projects:

(1) projects with a nameplate capacity of five megawatts or less; and

(2) projects with a nameplate capacity of greater than five megawatts.

(b) The proceeding shall provide for participation by the public and stakeholders. The commission shall issue an
order containing standardized contract language for each class of C-BED project identified in this section no later
than 90 days after the opening of the proceeding. The standardized contract form must be similar in all material
respects to the standard contract form previously filed with the commission under section 216b.2423, subdivision 3,
including any revisions to that contract on file with the commission as of the effective date of this section. Any
applicable C-BED contract signed after the date of the commission’s order whose provisions are not identical to the
standardized contract contained in the commission’s order is invalid.

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

Sec. 7. [216b.1614] SMALL RENEWABLE PROJECTS PURCHASE.

Between the effective date of this section and December 31, 2010, electric utilities, as defined in section
216b.1691, subdivision 1, paragraph (b), must purchase or contract to purchase energy from a sufficient number of
renewable energy projects with a nameplate capacity of five megawatts or less so as to total at least 200 megawatts
in the aggregate. Such projects must be constructed or under construction by December 31, 2010, and must meet the
eligibility requirements for a renewable energy incentive under the American Recovery and Reinvestment Act of
2009, the federal Rural Energy for America Program, or other renewable energy incentive program. Before December 31, 2010, an electric utility must undertake such projects in approximate proportion to its share of the total amount of electrical energy sold within this state. This requirement does not prevent an electric utility from developing or acquiring electrical energy from other sources either within or outside the state regardless of whether such sources use renewable energy.

Sec. 8. Minnesota Statutes 2008, section 216B.1645, subdivision 2a, is amended to read:

Subd. 2a. Cost recovery for utility's renewable facilities. (a) A utility may petition the commission to approve a rate schedule that provides for the automatic adjustment of charges to recover prudently incurred investments, expenses, or costs associated with facilities constructed, owned, or operated by a utility to satisfy the requirements of section 216B.1691, provided those facilities were previously approved by the commission under section 216B.2422 or 216B.243, or were determined by the commission to be reasonable and prudent under section 216B.243, subdivision 9. For a facility not subject to review by the commission under section 216B.2422 or 216B.243, a utility shall first petition the commission to determine the utility's eligibility to apply for cost recovery for the facility under this section. The commission may approve, or approve as modified, a rate schedule that:

1. allows a utility to recover directly from customers on a timely basis the costs of qualifying renewable energy projects, including:
   - (i) return on investment;
   - (ii) depreciation;
   - (iii) ongoing operation and maintenance costs;
   - (iv) taxes; and
   - (v) costs of transmission and other ancillary expenses directly allocable to transmitting electricity generated from a project meeting the specifications of this paragraph;
2. provides a current return on construction work in progress, provided that recovery of these costs from Minnesota ratepayers is not sought through any other mechanism;
3. allows recovery of other expenses incurred that are directly related to a renewable energy project, including expenses for energy storage, provided that the utility demonstrates to the commission's satisfaction that the expenses improve project economics, ensure project implementation, advance research and understanding of how storage devices may improve renewable energy projects, or facilitate coordination with the development of transmission necessary to transport energy produced by the project to market;
4. allocates recoverable costs appropriately between wholesale and retail customers;
5. terminates recovery when costs have been fully recovered or have otherwise been reflected in a utility's rates.

(b) A petition filed under this subdivision must include:

1. a description of the facilities for which costs are to be recovered;
2. an implementation schedule for the facilities;
3. the utility's costs for the facilities;
(4) a description of the utility's efforts to ensure that costs of the facilities are reasonable and were prudently incurred; and

(5) a description of the benefits of the project in promoting the development of renewable energy in a manner consistent with this chapter.

Sec. 9. Minnesota Statutes 2008, section 216B.169, subdivision 2, is amended to read:

Subd. 2. Renewable and high-efficiency energy rate options. (a) Each utility shall offer its customers, and shall advertise the offer at least annually, one or more options that allow a customer to determine that a certain amount of the electricity generated or purchased on behalf of the customer is renewable energy or energy generated by high-efficiency, low-emissions, distributed generation such as fuel cells and microturbines fueled by a renewable fuel.

(b) Each public utility shall file an implementation plan within 90 days of July 1, 2001, to implement paragraph (a).

(c) Rates charged to customers must be calculated using the utility's cost of acquiring the energy for the customer and must:

(1) reflect the difference between the cost of generating or purchasing the additional renewable energy and the cost of generating or purchasing the same amount of nonrenewable energy and the cost that would otherwise be attributed to the customer for the same amount of energy based on the utility's mix of renewable and nonrenewable energy sources; and

(2) be distributed on a per kilowatt-hour basis among all customers who choose to participate in the program.

(d) Implementation of these rate options may reflect a reasonable amount of lead time necessary to arrange acquisition of the energy. The utility may acquire the energy demanded by customers, in whole or in part, through procuring or generating the renewable energy directly, or through the purchase of credits from a provider that has received certification of eligible power supply pursuant to subdivision 3. If a utility is not able to arrange an adequate supply of renewable or high-efficiency energy to meet its customers' demand under this section, the utility must file a report with the commission detailing its efforts and reasons for its failure.

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

Sec. 10. Minnesota Statutes 2008, section 216B.1691, subdivision 2a, is amended to read:

Subd. 2a. Eligible energy technology standard. (a) Except as provided in paragraph (b), each electric utility shall generate or procure sufficient electricity generated by an eligible energy technology to provide its retail customers in Minnesota, or the retail customers of a distribution utility to which the electric utility provides wholesale electric service, so that at least the following standard percentages of the electric utility's total retail electric sales to retail customers in Minnesota are generated by eligible energy technologies by the end of the year indicated:

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>12 percent</td>
</tr>
<tr>
<td>2016</td>
<td>17 percent</td>
</tr>
<tr>
<td>2020</td>
<td>20 percent</td>
</tr>
<tr>
<td>2025</td>
<td>25 percent</td>
</tr>
</tbody>
</table>
(b) An electric utility that owned a nuclear generating facility as of January 1, 2007, must meet the requirements of this paragraph rather than paragraph (a). An electric utility subject to this paragraph must generate or procure sufficient electricity generated by an eligible energy technology to provide its retail customers in Minnesota or the retail customer of a distribution utility to which the electric utility provides wholesale electric service so that at least the following percentages of the electric utility's total retail electric sales to retail customers in Minnesota are generated by eligible energy technologies by the end of the year indicated:

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>15 percent</td>
</tr>
<tr>
<td>2012</td>
<td>18 percent</td>
</tr>
<tr>
<td>2016</td>
<td>25 percent</td>
</tr>
<tr>
<td>2020</td>
<td>30 percent</td>
</tr>
</tbody>
</table>

Of the 30 percent in 2020, at least 25 percent must be generated by wind or solar energy conversion systems and the remaining five percent by other eligible energy technology.

Sec. 11. Minnesota Statutes 2008, section 216B.23, is amended by adding a subdivision to read:

Subd. 1a. Authority to issue refund. (a) On determining that a public utility has charged a rate in violation of this chapter, a commission rule, or a commission order, the commission, after conducting a proceeding, may require the public utility to refund to its customers, in a manner approved by the commission, any revenues the commission finds were collected as a result of the unlawful conduct. Any refund authorized by this section is permitted in addition to any remedies authorized by section 216B.16 or any other law governing rates. Exercising authority under this section does not preclude the commission from pursuing penalties under sections 216B.57 to 216B.61 for the same conduct.

(b) This section must not be construed as allowing:

1. retroactive ratemaking;
2. refunds based on claims that prior or current approved rates have been unjust, unreasonable, unreasonably preferential, discriminatory, insufficient, inequitable, or inconsistent in application to a class of customers; or
3. refunds based on claims that approved rates have not encouraged energy conservation or renewable energy use, or have not furthered the goals of section 216B.164, 216B.241, or 216C.05.

(c) A refund under this subdivision does not apply to revenues collected more than six years before the date of the notice of the commission proceeding required under this subdivision.

Sec. 12. Minnesota Statutes 2008, section 216B.241, subdivision 1c, is amended to read:

Subd. 1c. Energy-saving goals. (a) The commissioner shall establish energy-saving goals for energy conservation improvement expenditures and shall evaluate an energy conservation improvement program on how well it meets the goals set.

(b) Each individual utility and association shall have an annual energy-savings goal equivalent to 1.5 percent of gross annual retail energy sales unless modified by the commissioner under paragraph (d). The savings goals must be calculated based on the most recent three-year weather normalized average. A utility or association may elect to carry forward energy savings in excess of 1.5 percent for a year to the succeeding three calendar years, provided that a particular energy savings can apply only to one year's goal.

(c) The commissioner must adopt a filing schedule that is designed to have all utilities and associations operating under an energy-savings plan by calendar year 2010.
(d) In its energy conservation improvement plan filing, a utility or association may request the commissioner to adjust its annual energy-savings percentage goal based on its historical conservation investment experience, customer class makeup, load growth, a conservation potential study, or other factors the commissioner determines warrants an adjustment. The commissioner may not approve a plan that provides for an annual energy-savings goal of less than one percent of gross annual retail energy sales from energy conservation improvements.

A utility or association may include in its energy conservation plan energy savings from electric utility infrastructure projects approved by the commission under section 216B.1636 or waste heat recovery converted into electricity projects that may count as energy savings in addition to the minimum energy-savings goal of at least one percent for energy conservation improvements. Electric utility infrastructure projects must result in increased energy efficiency greater than that which would have occurred through normal maintenance activity.

(e) An energy-savings goal is not satisfied by attaining the revenue expenditure requirements of subdivisions 1a and 1b, but can only be satisfied by meeting the energy-savings goal established in this subdivision.

(f) An association or utility is not required to make energy conservation investments to attain the energy-savings goals of this subdivision that are not cost-effective even if the investment is necessary to attain the energy-savings goals. For the purpose of this paragraph, in determining cost-effectiveness, the commissioner shall consider the costs and benefits to ratepayers, the utility, participants, and society. In addition, the commissioner shall consider the rate at which an association or municipal utility is increasing its energy savings and its expenditures on energy conservation.

(g) On an annual basis, the commissioner shall produce and make publicly available a report on the annual energy savings and estimated carbon dioxide reductions achieved by the energy conservation improvement programs for the two most recent years for which data is available. The commissioner shall report on program performance both in the aggregate and for each entity filing an energy conservation improvement plan for approval or review by the commissioner.

(h) By January 15, 2010, the commissioner shall report to the legislature whether the spending requirements under subdivisions 1a and 1b are necessary to achieve the energy-savings goals established in this subdivision.

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

Sec. 13. Minnesota Statutes 2008, section 216B.241, is amended by adding a subdivision to read:

**Subd. 2d. Renewable residential heating.** (a) Up to five percent of a utility's conservation spending obligation under subdivision 1a or any amount expended in order to satisfy a utility's energy-savings goal under subdivision 1c may be used for a project located in this state that provides rebates to homeowners who install the following types of projects to heat the homeowner's primary residence:

(1) a solar thermal project, as defined in section 216B.2411, subdivision 2, paragraph (e);

(2) a geothermal project;

(3) a heating unit that burns exclusively either biodiesel, shelled corn, or wood chips or wood pellets, provided that the heating unit is listed by Underwriters Laboratories.

(b) A rebate awarded under this subdivision must not exceed the lesser of 25 percent of the purchase and installation costs of the project or $500.

**EFFECTIVE DATE.** This section is effective the day following final enactment.
Sec. 14. Minnesota Statutes 2008, section 216B.241, is amended by adding a subdivision to read:

Subd. 5b. **Biomethane purchases.** (a) A natural gas utility may include in its conservation plan purchases of biomethane, and may use up to five percent of the total amount to be spent on energy conservation improvements under this section for that purpose. The cost-effectiveness of biomethane purchases may be determined by a different standard than for other energy conservation improvements under this section if the commissioner determines that doing so is in the public interest in order to encourage biomethane purchases. Energy savings from purchasing biomethane may not be counted toward the minimum energy-savings goal of at least one percent for energy conservation improvements required under subdivision 1c, but may, if the conservation plan is approved:

(1) be counted toward energy savings above that minimum percentage; and

(2) be considered when establishing performance incentives under subdivision 2c.

(b) For the purposes of this subdivision, "biomethane" means biogas produced through anaerobic digestion of biomass, gasification of biomass, or other effective conversion processes, that is cleaned and purified into biomethane that meets natural gas utility quality specifications for use in a natural gas utility distribution system.

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

Sec. 15. Minnesota Statutes 2008, section 216B.241, subdivision 9, is amended to read:

Subd. 9. **Building performance standards; Sustainable Building 2030.** (a) The purpose of this subdivision is to establish cost-effective energy-efficiency performance standards for new and substantially reconstructed commercial, industrial, and institutional buildings that can significantly reduce carbon dioxide emissions by lowering energy use in new and substantially reconstructed buildings. For the purposes of this subdivision, the establishment of these standards may be referred to as Sustainable Building 2030.

(b) The commissioner shall contract with the Center for Sustainable Building Research at the University of Minnesota to coordinate development and implementation of energy-efficiency performance standards, strategic planning, research, data analysis, technology transfer, training, and other activities related to the purpose of Sustainable Building 2030. The commissioner and the Center for Sustainable Building Research shall, in consultation with utilities, builders, developers, building operators, and experts in building design and technology, develop a Sustainable Building 2030 implementation plan that must address, at a minimum, the following issues:

(1) training architects to incorporate the performance standards in building design;

(2) incorporating the performance standards in utility conservation improvement programs; and

(3) developing procedures for ongoing monitoring of energy use in buildings that have adopted the performance standards.

The plan must be submitted to the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over energy policy by July 1, 2009.

(c) Sustainable Building 2030 energy-efficiency performance standards must be firm, quantitative measures of total building energy use and associated carbon dioxide emissions per square foot for different building types and uses, that allow for accurate determinations of a building’s conformance with a performance standard. The energy-efficiency performance standards must be updated every three or five years to incorporate all cost-effective measures. The performance standards must reflect the reductions in carbon dioxide emissions per square foot resulting from actions taken by utilities to comply with the renewable energy standards in section 216B.1691. The
performance standards should be designed to achieve reductions equivalent to the following reduction schedule, measured against energy consumption by an average building in each applicable building sector in 2003: (1) 60 percent in 2010; (2) 70 percent in 2015; (3) 80 percent in 2020; and (4) 90 percent in 2025. A performance standard must not be established or increased absent a conclusive engineering analysis that it is cost-effective based upon established practices used in evaluating utility conservation improvement programs.

(d) The annual amount of the contract with the Center for Sustainable Building Research is up to $500,000. The Center for Sustainable Building Research shall expend no more than $150,000 of this amount each year on administration, coordination, and oversight activities related to Sustainable Building 2030. The balance of contract funds must be spent on substantive programmatic activities allowed under this subdivision that may be conducted by the Center for Sustainable Building Research and subcontracts with not-for-profit energy organizations, architecture and engineering firms, and other qualified entities to undertake technical projects and activities in support of Sustainable Building 2030. The primary work to be accomplished each year by qualified technical experts under subcontracts is the development and thorough justification of recommendations for specific energy-efficiency performance standards. Additional work may include:

(1) research, development, and demonstration of new energy-efficiency technologies and techniques suitable for commercial, industrial, and institutional buildings;

(2) analysis and evaluation of practices in building design, construction, commissioning and operations, and analysis and evaluation of energy use in the commercial, industrial, and institutional sectors;

(3) analysis and evaluation of the effectiveness and cost-effectiveness of Sustainable Building 2030 performance standards, conservation improvement programs, and building energy codes;

(4) development and delivery of training programs for architects, engineers, commissioning agents, technicians, contractors, equipment suppliers, developers, and others in the building industries; and

(5) analyze and evaluate the effect of building operations on energy use.

(e) The commissioner shall require utilities to develop and implement conservation improvement programs that are expressly designed to achieve energy efficiency goals consistent with the Sustainable Building 2030 performance standards. These programs must include offerings of design assistance and modeling, financial incentives, and the verification of the proper installation of energy-efficient design components in new and substantially reconstructed buildings. A utility's design assistance program must consider the strategic planting of trees and shrubs around buildings as an energy conservation strategy for the designed project. A utility making an expenditure under its conservation improvement program that results in a building meeting the Sustainable Building 2030 performance standards may claim the energy savings toward its energy-savings goal established in subdivision 1c.

(f) The commissioner shall report to the legislature every three years, beginning January 15, 2010, on the cost-effectiveness and progress of implementing the Sustainable Building 2030 performance standards and shall make recommendations on the need to continue the program as described in this section.

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

Sec. 16. Minnesota Statutes 2008, section 216B.2411, subdivision 1, is amended to read:

Subdivision 1. **Generation projects.** (a) Any municipality or rural electric association providing electric service and subject to section 216B.241 may, and each public utility may, use five percent of the total amount to be spent on energy conservation improvements under section 216B.241, on:
(1) projects in Minnesota to construct an electric generating facility that utilizes eligible renewable energy sources as defined in subdivision 2, such as methane or other combustible gases derived from the processing of plant or animal wastes, biomass fuels such as short-rotation woody or fibrous agricultural crops, or other renewable fuel, as its primary fuel source;

(2) projects in Minnesota to install a distributed generation facility of ten megawatts or less of interconnected capacity that is fueled by natural gas, renewable fuels, or another similarly clean fuel; or

(3) projects in Minnesota to install a qualifying solar energy project as defined in subdivision 2.

(b) A utility that offers a program to customers to promote installing qualifying solar energy projects may request authority from the commissioner to exceed the five percent limit in paragraph (a) to meet customer demand for installation of qualifying solar energy projects. In considering this request, the commissioner shall consider customer interest in qualifying solar energy and the impact on other customers.

For public utilities, as defined under section 216B.02, subdivision 4, (c) For a utility subject to this section, projects under this section must be considered energy conservation improvements as defined in section 216B.241. For cooperative electric associations and municipal utilities, projects under this section must be considered load-management activities described in section 216B.241, subdivision 1.

Sec. 17. Minnesota Statutes 2008, section 216B.2411, subdivision 2, is amended to read:

Subd. 2. Definitions. (a) For the purposes of this section, the terms defined in this subdivision and section 216B.241, subdivision 1, have the meanings given them.

(b) "Eligible renewable energy sources" means fuels and technologies to generate electricity through the use of any of the resources listed in section 216B.1691, subdivision 1, paragraph (a), except that the incineration of wastewater sludge is not an eligible renewable energy source, "biomass" has the meaning provided under paragraph (c), and "solar" must be from a qualified solar energy project as defined in paragraph (d).

(c) "Biomass" includes:

(1) methane or other combustible gases derived from the processing of plant or animal material;

(2) alternative fuels derived from soybean and other agricultural plant oils or animal fats;

(3) combustion of barley hulls, corn, soy-based products, or other agricultural products;

(4) wood residue from the wood products industry in Minnesota or other wood products such as short-rotation woody or fibrous agricultural crops;

(5) landfill gas;

(6) the predominantly organic components of wastewater effluent, sludge, or related byproducts from publicly owned treatment works; and

(7) mixed municipal solid waste, and refuse-derived fuel from mixed municipal solid waste.

(d) "Qualifying solar energy project" means a qualifying solar thermal project or qualifying solar electric project.
(e) "Qualifying solar thermal project" means a flat plate or evacuated tube that meets the requirements of section 216C.25 with a fixed orientation that collects the sun's radiant energy and transfers it to a storage medium for distribution as energy to heat or cool air or water, but does not include equipment used to heat water at a residential property (1) for domestic use if less than one-half of the energy used for that purpose is derived from the sun or (2) for use in a hot tub or swimming pool.

(f) "Qualifying solar electric project" means:

(1) solar electric equipment that: (i) meets the requirements of section 216C.25 with a total; (ii) has a peak generating capacity of 100 kilowatts or less; and (iii) is used for generating to generate electricity primarily for use in a residential property or small business, commercial, or publicly owned building or facility; and

(2) if applicable, equipment that is used to store the electricity generated by a qualified solar electric project under clause (1) and that is located proximate to the building or facility using the electricity.

(g) "Residential property building" means the principal residence of a homeowner at the time the solar equipment is placed in service.

(h) "Small business" has the meaning given to it in section 645.445.

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

Sec. 18.  Minnesota Statutes 2008, section 216B.2424, subdivision 5a, is amended to read:

Subd. 5a.  Reduction of biomass mandate.  (a) Notwithstanding subdivision 5, the biomass electric energy mandate must be reduced from 125 megawatts to 110 megawatts.

(b) The Public Utilities Commission shall approve a request pending before the commission as of May 15, 2003, for amendments to and assignment of a power purchase agreement with the owner of a facility that uses short-rotation, woody crops as its primary fuel previously approved to satisfy a portion of the biomass mandate if the owner of the project agrees to reduce the size of its project from 50 megawatts to 35 megawatts, while maintaining an average price for energy in nominal dollars measured over the term of the power purchase agreement at or below $104 per megawatt-hour, exclusive of any price adjustments that may take effect subsequent to commission approval of the power purchase agreement, as amended.  The commission shall also approve, as necessary, any subsequent assignment or sale of the power purchase agreement or ownership of the project to an entity owned or controlled, directly or indirectly, by two municipal utilities located north of Constitutional Route No. 8, as described in section 161.114, which currently own electric and steam generation facilities using coal as a fuel and which propose to retrofit their existing municipal electrical generating facilities to utilize biomass fuels in order to perform the power purchase agreement.

(c) If the power purchase agreement described in paragraph (b) is assigned to an entity that is, or becomes, owned or controlled, directly or indirectly, by two municipal entities as described in paragraph (b), and the power purchase agreement meets the price requirements of paragraph (b), the commission shall approve any amendments to the power purchase agreement necessary to reflect the changes in project location and ownership and any other amendments made necessary by those changes.  The commission shall also specifically find that:

(1) the power purchase agreement complies with and fully satisfies the provisions of this section to the full extent of its 35-megawatt capacity;

(2) all costs incurred by the public utility and all amounts to be paid by the public utility to the project owner under the terms of the power purchase agreement are fully recoverable pursuant to section 216B.1645;
(3) subject to prudency review by the commission, the public utility may recover from its Minnesota retail customers the Minnesota jurisdictional portion of the amounts that may be incurred and paid by the public utility during the full term of the power purchase agreement; and

(4) if the purchase power agreement meets the requirements of this subdivision, it is reasonable and in the public interest.

(d) The commission shall specifically approve recovery by the public utility of any and all Minnesota jurisdictional costs incurred by the public utility to improve, construct, install, or upgrade transmission, distribution, or other electrical facilities owned by the public utility or other persons in order to permit interconnection of the retrofitted biomass-fueled generating facilities or to obtain transmission service for the energy provided by the facilities to the public utility pursuant to section 216B.1645, and shall disapprove any provision in the power purchase agreement that requires the developer or owner of the project to pay the jurisdictional costs or that permit the public utility to terminate the power purchase agreement as a result of the existence of those costs or the public utility's obligation to pay any or all of those costs.

(e) Upon request by the project owner, the public utility shall agree to amend the power purchase agreement described in paragraph (b) and approved by the commission as required by paragraph (c). The amendment must be negotiated and executed within 45 days of the effective date of this section and must apply to prices paid after January 1, 2009. The average price for energy in nominal dollars measured over the term of the power purchase agreement must not exceed $104 per megawatt hour by more than five percent. The public utility shall request approval of the amendment by the commission within 30 days of execution of the amended power purchase agreement. The amendment is not effective until approval by the commission. The commission shall act on the amendment within 90 days of submission of the request by the public utility. Upon approval of the amended power purchase agreement, the commission shall allow the public utility to recover the costs of the amended power purchase agreement, as provided in section 216B.1645.

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

Sec. 19. Minnesota Statutes 2008, section 216B.2425, subdivision 3, is amended to read:

Subd. 3. Commission approval; order. (a) By June 1 of each even-numbered year, the commission shall adopt a state transmission project list and shall certify, certify as modified, or deny certification of the projects proposed under subdivision 2. The commission may only certify a project that is a high-voltage transmission line as defined in section 216B.2421, subdivision 2, that the commission finds is:

(1) necessary to maintain or enhance the reliability of electric service to Minnesota consumers;

(2) needed, applying the criteria in section 216B.243, subdivision 3; and

(3) in the public interest, taking into account electric energy system needs and economic, environmental, and social interests affected by the project.

(b) In its order adopting a statewide transmission project list, the commission shall summarize the present and future inadequacies of the transmission system identified in the utilities' transmission project reports, plans to address those inadequacies, and any barriers that may prevent those inadequacies from being addressed. Within ten days of issuing the order, the commission shall send a copy of the order to the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over energy policy.
Sec. 20. Minnesota Statutes 2008, section 216B.243, subdivision 8, is amended to read:

Subd. 8. Exemptions. This section does not apply to:

(1) cogeneration or small power production facilities as defined in the Federal Power Act, United States Code, title 16, section 796, paragraph (17), subparagraph (A), and paragraph (18), subparagraph (A), and having a combined capacity at a single site of less than 80,000 kilowatts; plants or facilities for the production of ethanol or fuel alcohol; or any case where the commission has determined after being advised by the attorney general that its application has been preempted by federal law;

(2) a high-voltage transmission line proposed primarily to distribute electricity to serve the demand of a single customer at a single location, unless the applicant opts to request that the commission determine need under this section or section 216B.2425;

(3) the upgrade to a higher voltage of an existing transmission line that serves the demand of a single customer that primarily uses existing rights-of-way, unless the applicant opts to request that the commission determine need under this section or section 216B.2425;

(4) a high-voltage transmission line of one mile or less required to connect a new or upgraded substation to an existing, new, or upgraded high-voltage transmission line;

(5) conversion of the fuel source of an existing electric generating plant to using natural gas;

(6) the modification of an existing electric generating plant to increase efficiency, as long as the capacity of the plant is not increased more than ten percent or more than 100 megawatts, whichever is greater; or

(7) a large energy facility that:

(i) generates electricity from wind energy conversion systems;

(ii) will serve retail customers in Minnesota; and

(iii) meets any of the following conditions:

(A) is specifically intended to be used to meet the renewable energy objective under section 216B.1691 or;

(B) addresses a resource need identified in a current commission-approved or commission-reviewed resource plan under section 216B.2422, and (iv); or

(C) derives at least ten percent of the total nameplate capacity of the proposed project from one or more C-BED projects, as defined under section 216B.1612, subdivision 2, paragraph (f).

Sec. 21. Minnesota Statutes 2008, section 216B.243, subdivision 9, is amended to read:

Subd. 9. Renewable energy standard facilities. The requirements of this section do not apply to a wind energy conversion system or a solar electric generation facility that is intended to be used to meet or exceed the obligations of section 216B.1691; provided that, after notice and comment, the commission determines that the facility is a reasonable and prudent approach to meeting a utility's obligations under that section. When making this determination, the commission may consider:

(1) the size of the facility relative to a utility's total need for renewable resources and;
alternative approaches for supplying the renewable energy to be supplied by the proposed facility, and must consider;

(3) the facility's ability to promote economic development, as required under section 216B.1691, subdivision 9, maintain;

(4) maintenance of electric system reliability and consider;

(5) impacts on ratepayers, and

(6) other criteria as that the commission may determine determines are relevant.

Sec. 22. Minnesota Statutes 2008, section 216C.052, subdivision 2, is amended to read:

Subd. 2. Administrative issues. (a) The commissioner may select the administrator. The administrator must have at least five years of experience working as a power systems engineer planner or transmission planner, or in a position dealing with power system reliability issues, and may not have been a party or a participant in a commission energy proceeding for at least one year prior to selection by the commissioner. The commissioner shall oversee and direct the work of the administrator, annually review the expenses of the administrator, and annually approve the budget of the administrator. The administrator may hire staff and may contract for technical expertise in performing duties when existing state resources are required for other state responsibilities or when special expertise is required. The salary of the administrator is governed by section 15A.0815, subdivision 2.

(b) Costs relating to a specific proceeding, analysis, or project are not general administrative costs. For purposes of this section, "energy utility" means public utilities, generation and transmission cooperative electric associations, and municipal power agencies providing natural gas or electric service in the state.

(c) The Department of Commerce shall pay:

(1) the general administrative costs of the administrator, not to exceed $1,000,000 in a fiscal year, and shall assess energy utilities for those administrative costs. These costs must be consistent with the budget approved by the commissioner under paragraph (a). The department shall apportion the costs among all energy utilities in proportion to their respective gross operating revenues from sales of gas or electric service within the state during the last calendar year, and shall then render a bill to each utility on a regular basis; and

(2) costs relating to a specific proceeding analysis or project and shall render a bill to the specific energy utility or utilities participating in the proceeding, analysis, or project directly, either at the conclusion of a particular proceeding, analysis, or project, or from time to time during the course of the proceeding, analysis, or project.

(d) For purposes of administrative efficiency, the department shall assess energy utilities and issue bills in accordance with the billing and assessment procedures provided in section 216B.62, to the extent that these procedures do not conflict with this subdivision. The amount of the bills rendered by the department under paragraph (c) must be paid by the energy utility into an account in the special revenue fund in the state treasury within 30 days from the date of billing and is appropriated to the department for the purposes provided in this section. The commission shall approve or approve as modified a rate schedule providing for the automatic adjustment of charges to recover amounts paid by utilities under this section. All amounts assessed under this section are in addition to amounts appropriated to the commission and the department by other law.
Sec. 23. [216C.055] KEY ROLE OF SOLAR AND BIOMASS RESOURCES IN PRODUCING THERMAL ENERGY.

The legislature recognizes that the use of solar energy and the combustion of grasses, agricultural wastes, trees, and other vegetation to produce thermal energy for heating commercial, industrial, and residential buildings and for industrial process can play a significant role in helping Minnesota meet its future energy needs and its greenhouse gas emissions reduction goals. The annual legislative proposals required to be submitted by the commissioners of commerce and the Pollution Control Agency under section 216H.07, subdivision 4, must include proposals regarding the use of the renewable energy sources described in this section if the commissioners determine that such policies are appropriate to achieve the state's greenhouse gas emissions reduction goals. No legal claim against any person is allowed under this section. The combustion of municipal solid waste or refuse-derived fuel to produce thermal energy is not addressed under this section. For purposes of this section, removal of woody biomass from publicly owned forests shall be consistent with the principles of sustainable forest management.

Sec. 24. Minnesota Statutes 2008, section 216C.41, subdivision 5a, is amended to read:

Subd. 5a. Renewable development account. The Department of Commerce shall authorize payment of the renewable energy production incentive to wind energy conversion systems for 200 megawatts of nameplate capacity and that are eligible under this section or Laws 2005, chapter 40, to on-farm biogas recovery facilities, and to hydroelectric facilities. Payment of the incentive shall be made from the renewable energy development account as provided under section 116C.779, subdivision 2.

Sec. 25. Minnesota Statutes 2008, section 216F.01, subdivision 2, is amended to read:

Subd. 2. Large wind energy conversion system or LWECS. "Large wind energy conversion system" or "LWECS" means any combination of WECS with a combined nameplate capacity of 5,000 or more.

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

Sec. 26. Minnesota Statutes 2008, section 216F.01, subdivision 3, is amended to read:

Subd. 3. Small wind energy conversion system or SWECS. "Small wind energy conversion system" or "SWECS" means any combination of WECS with a combined nameplate capacity of less than 5,000 or equal to 25,000 kilowatts.

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

Sec. 27. Minnesota Statutes 2008, section 216F.012, is amended to read:

216F.012 SIZE ELECTION.

(a) A wind energy conversion system of less than 25 megawatts of nameplate capacity as determined under section 216F.011 is a small wind energy conversion system if, by July 1, 2009, the owner so elects in writing and submits a completed application for zoning approval and the written election to the county in which the project is proposed to be located. The owner must notify the Public Utilities Commission of the election at the time the owner submits the election to the county.

(b) Notwithstanding paragraph (a), a wind energy conversion system with a nameplate capacity exceeding five megawatts that is proposed to be located wholly or partially within a wind access buffer adjacent to state lands that are part of the outdoor recreation system, as enumerated in section 86A.05, is a large wind energy conversion system.
system. The Department of Natural Resources shall negotiate in good faith with a system owner regarding siting and may support the system owner in seeking a variance from the system setback requirements if it determines that a variance is in the public interest.

(c) The Public Utilities Commission shall issue an annual report to the chairs and ranking minority members of the house of representatives and senate committees with primary jurisdiction over energy policy and natural resource policy regarding any variances applied for and not granted for systems subject to paragraph (b).

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

Sec. 28. Minnesota Statutes 2008, section 216F.02, is amended to read:

**216F.02 EXEMPTIONS.**

(a) The requirements of chapter 216E do not apply to the siting of LWECS with a combined nameplate capacity greater than 5,000 kilowatts that applies to the commission for a site permit, except for sections 216E.01; 216E.03; 216E.04; 216E.07; 216E.10; 216E.11; 216E.12; 216E.13; 216E.14; 216E.15; 216E.16; 216E.17; and 216E.18, subdivision 3, which do apply.

(b) Any person may construct an SWECS with a combined nameplate capacity less than or equal to 5,000 kilowatts without complying with chapter 216E or this chapter.

(c) Nothing in this chapter shall preclude precludes a local governmental unit from establishing requirements for the siting and construction of SWECs.

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

Sec. 29. Minnesota Statutes 2008, section 216F.08, is amended to read:

**216F.08 PERMIT AUTHORITY; ASSUMPTION BY COUNTIES.**

(a) A county board may, by resolution and upon written notice to the Public Utilities Commission, assume responsibility for processing applications for permits required under this chapter for LWECS with a combined nameplate capacity of less than 25,000 kilowatts. The responsibility for permit application processing, if assumed by a county, may be delegated by the county board to an appropriate county officer or employee. A county shall process applications in accordance with procedures and processes established under chapter 394.

(b) A county board that exercises its option under paragraph (a) may issue, deny, modify, impose conditions upon, or revoke permits pursuant to this section. The action of the a county board about with respect to a permit application is final, subject to appeal as provided in section 394.27.

(c) The commission shall, by order, establish general permit standards, including appropriate property line setbacks, governing site permits for LWECS under this section and SWECs. The order must consider existing and historic commission standards for wind permits issued by the commission. The general permit standards shall apply to permits issued by counties and must apply to permits issued by the commission for LWECS with a combined nameplate capacity of less than 25,000 kilowatts and SWECs. The general permit standards must establish a setback for a SWECs from a road or property line equal to 1.1 times the maximum tip height of a rotor blade measured from ground level when the blade is in a vertical position. Counties are encouraged to consider an identical setback standard in permits they issue. The commission or a county may grant a variance from a general permit standard if the variance is found to be in the public interest. Permit standards established by a county under this section supersede general permit standards established by the commission.
(d) Upon request by a county, the commission and the commissioner of commerce shall provide technical assistance to a county with respect to the processing of LWECS/SWECS site permit applications.

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

Sec. 30. Minnesota Statutes 2008, section 453.52, subdivision 2, is amended to read:

Subd. 2. **Agency agreement.** "Agency agreement" means the written agreement between or among two or more cities or existing municipal power agencies establishing a municipal power agency.

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

Sec. 31. Minnesota Statutes 2008, section 453.52, subdivision 7, is amended to read:

Subd. 7. **Governing body.** (a) "Governing body," with respect to a city, means the city council or, if another board, commission, or body is empowered by law or its charter or by resolution of the city council to establish and regulate rates and charges for the distribution of electric energy within the city, such board, commission, or body shall be deemed to be the "governing body"; provided, however, that when the levy of a tax or the incurring of an obligation payable from taxes or any other action of such board, commission, or body requires the concurrence, approval, or independent action of the city council or another body under the city's charter or any other law, such action shall not be exercised under sections 453.51 to 453.62 until such concurrence or approval is received or such independent action is taken; and provided further, that the concurrence of the city council or other elected body charged with the general management of a city shall be required, prior to the adoption by the city of any resolution approving an agency agreement or any amendment thereto.

(b) With respect to an existing municipal power agency, "governing body" means the agency's board of directors.

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

Sec. 32. Minnesota Statutes 2008, section 453.52, subdivision 8, is amended to read:

Subd. 8. **Municipal power agency.** "Municipal power agency" means a separate political subdivision and municipal corporation created by agreement between or among two or more cities or existing municipal power agencies pursuant to section 453.53 to exercise any of the powers of acquisition, construction, reconstruction, operation, repair, extension, or improvement of electric generation or transmission facilities or the acquisition of any interest therein or any right to part or all of the capacity thereof.

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

Sec. 33. Minnesota Statutes 2008, section 453.53, subdivision 1, is amended to read:

Subdivision 1. **Two or more cities, or existing municipal power agencies; resolution.** (a) Any two or more cities or existing municipal power agencies may form a municipal power agency by the execution of an agency agreement authorized by a resolution of the governing body of each city or municipal power agency.

(b) The agency agreement shall state:

(1) that the municipal power agency is created and incorporated under the provisions of sections 453.51 to 453.62 as a municipal corporation and a political subdivision of the state, to exercise thereunder a part of the sovereign powers of the state;
(2) the name of the agency, which shall include the words "municipal power agency";

(3) the names of the cities or municipal power agencies which have approved the agency agreement and are the initial members of the municipal power agency;

(4) the names and addresses of the persons initially appointed by the resolutions approving the agreement to act as the representatives of the cities members, respectively, in the exercise of their powers as members;

(5) limitations, if any, upon the terms of representatives of the respective member cities members, provided that such representatives shall always be selected and vacancies in their offices declared and filled by resolutions of the governing bodies of the respective cities members;

(6) the names of the initial board of directors of the municipal power agency, who shall be not less than five persons who are representatives of the respective member cities members, selected by the vote of a majority of such representatives; or the agreement may provide that the representatives of the member cities members from time to time shall be and constitute the board of directors;

(7) the location by city, town, or other community in the state, of the registered office of the municipal power agency;

(8) that the cities or municipal power agencies which are members of the municipal power agency are not liable for its obligations; and

(9) any other provision for regulating the business of the municipal power agency or the conduct of its affairs which may be agreed by the member cities members, consistent with sections 453.51 to 453.62.

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

Sec. 34. Minnesota Statutes 2008, section 453.53, subdivision 2, is amended to read:

Subd. 2. **Filing agreement, resolution; incorporation certificate.** The agency agreement and a certified copy of the resolution of the governing body of each city member shall be filed for record with the secretary of state. If the agency agreement conforms to the requirements of this section, the secretary of state shall record it and issue and record a certificate of incorporation. The certificate shall state the name of the municipal power agency and the fact and date of incorporation. Upon the issuance of the certificate of incorporation, the existence of the municipal power agency as a political subdivision of the state and a municipal corporation shall begin. The certificate of incorporation shall be conclusive evidence of the fact of incorporation.

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

Sec. 35. Minnesota Statutes 2008, section 453.53, subdivision 3, is amended to read:

Subd. 3. **First board.** The initial board of directors of the municipal power agency, unless otherwise provided by the agency agreement, shall be elected prior to the filing of the agreement by a majority vote of the persons acting as representatives of the member cities members, from among their members. After commencement of existence, the first meeting of the board of directors shall be held at the call of the directors, after notice, for the purpose of adopting the initial bylaws, electing officers, and for any other business that comes before the meeting.

**EFFECTIVE DATE.** This section is effective the day following final enactment.
Sec. 36. Minnesota Statutes 2008, section 453.53, subdivision 4, is amended to read:

Subd. 4. **Bylaws.** (a) The bylaws of the municipal power agency, and any amendments thereto, shall be proposed by the board of directors and shall be adopted by a majority vote of the representatives of the member cities, unless the agency agreement requires a greater vote, at a meeting held after notice.

(b) Subject to the provisions of the agency agreement, the bylaws shall state:

(1) the qualifications of member cities, and limitations, if any, upon their number;

(2) conditions of membership, if any;

(3) manner and time of calling regular meetings of representatives of member cities;

(4) manner and conditions of termination of membership; and

(5) such other provisions for regulating the affairs of the municipal power agency as the representatives of the member cities shall determine to be necessary.

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

Sec. 37. Minnesota Statutes 2008, section 453.53, subdivision 8, is amended to read:

Subd. 8. **City Member representatives.** Except as otherwise provided in the agency agreement or the bylaws, the duly authorized representatives of each member city shall act as, and vote on behalf of, such city member. Except where the agency agreement or bylaws provide otherwise, representatives of the member cities shall hold at least one meeting each year for the election of directors and for the transaction of any other business. Except where the agency agreement or bylaws prescribe otherwise, special meetings of the representatives may be called for any purpose upon written request to the president or secretary to call the meeting. Such officer shall give notice of the meeting to be held between 10 and 60 days after receipt of such request. Unless the agency agreement or bylaws provide for a different percentage, a quorum for a meeting of the representatives of the member cities is a majority of the total members and a quorum for meetings of the board of directors is a majority of the membership of such board.

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

Sec. 38. Minnesota Statutes 2008, section 453.53, subdivision 9, is amended to read:

Subd. 9. **Amendments to agency agreement.** The agency agreement may be amended as proposed at any meeting of the representatives of the member cities for which notice, stating the purpose, shall be given to each representative and, unless the agency agreement or bylaws require otherwise, shall become effective when ratified by resolutions of a majority of the governing bodies of the member cities. Each amendment and the resolutions approving it shall be filed for record with the secretary of state.

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

Sec. 39. Minnesota Statutes 2008, section 453.55, subdivision 13, is amended to read:

Subd. 13. **Payable solely from pledged or available revenue.** The principal of and interest upon any bonds or notes issued by a municipal power agency shall be payable solely from the revenues or funds pledged or available for their payment as authorized in sections 453.51 to 453.62. Each bond and note shall contain a statement that the
principal thereof or interest thereon is payable solely from revenues or funds of the municipal power agency and that neither the state nor any political subdivision thereof, other than the municipal power agency, nor any city which is a member of the municipal power agency is obligated to pay the principal or interest and that neither the faith and credit nor the taxing power of the state or any political subdivision thereof or of any such member city is pledged to the payment of the principal of or the interest on the bonds or notes. Nothing herein, however, precludes the use of tax or other revenue by a city for payment of amounts due and performance of covenants under any contract of the city as provided in section 453.58, subdivision 3.

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

Sec. 40. **MOUNTAIN IRON ECONOMIC DEVELOPMENT AUTHORITY; WIND ENERGY PROJECT.**

(a) The Mountain Iron Economic Development Authority may form or become a member of a limited liability company organized under Minnesota Statutes, chapter 322B, for the purpose of developing a community-based energy development project pursuant to Minnesota Statutes, section 216B.1612. A limited liability company formed or joined under this section is subject to the open meeting requirements established in Minnesota Statutes, chapter 13D. A project authorized by this section may not sell, transmit, or distribute the electrical energy at retail or provide for end use of the electricity to an off-site facility of the economic development corporation or the limited liability company. Nothing in this section modifies the exclusive service territories or exclusive right to serve as provided in Minnesota Statutes, sections 216B.37 to 216B.43.

(b) The authority may acquire a leasehold interest in property outside its corporate boundaries for the purpose of developing a community-based energy development project as provided in Minnesota Statutes, section 216B.1612.

**EFFECTIVE DATE.** This section is effective the day after the city of Mountain Iron and its chief clerical officer comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 41. **SOLAR CITIES REPORT.**

The cities of Minneapolis and St. Paul, designated as solar cities under the federal Department of Energy's Solar America Initiative, shall, by October 1, 2009, and October 1, 2010, submit a report to the cochairs of the Legislative Energy Committee containing strategies to accelerate the rate of solar thermal and solar electric energy installations in all building types throughout the state. The report must, at a minimum, address the following issues:

1. identify legal, administrative, financial, and operational barriers to increasing the installation of solar energy, and measures to overcome them;
2. identify financial and regulatory mechanisms that stimulate the development of solar energy;
3. identify ways to link solar energy development with energy conservation and energy efficiency strategies and programs;
4. how efforts and initiatives undertaken by St. Paul and Minneapolis can be integrated with activities undertaken in other parts of the state; and
5. how projected trends in solar technologies and the costs of solar generation can be integrated into the state's strategy to advance adoption of solar energy.

In preparing these reports, the cities may confer with any person whose experience and expertise will assist in preparing the reports, including utilities, businesses providing solar energy installation services, nonprofit organizations promoting solar energy, and others.
Sec. 42. **NATURAL GAS UTILITIES; INTERIM ENERGY SAVINGS PLAN.**

(a) The commissioner of commerce may approve an energy conservation improvement plan under Minnesota Statutes, section 216B.241, subdivision 1c, paragraph (d), that:

(1) is submitted to the commissioner in calendar year 2009 by a utility that provides natural gas service at retail;

(2) governs the conservation improvements to be undertaken by the utility over the next three-year time period; and

(3) is accompanied by a study that specifies how the utility may:

(i) average savings of at least 0.75 percent over the three years following submission of the plan;

(ii) meet and exceed the minimum energy savings goal of one percent of gross annual retail sales within five years of submission of the plan; and

(iii) achieve average annual savings of at least one percent over the nine years following submission of the plan.

(b) The plan must include projections of the total amount spent by the utility to achieve energy savings each year and the cost per unit of energy saved.

(c) Nothing in this section precludes the commissioner from requiring additional energy conservation improvement activities and programs beyond those proposed by a utility in its proposed plan so long as those additional activities and programs meet the requirements of Minnesota Statutes, section 216B.241. The commissioner shall require all reasonable actions by a utility that will increase the likelihood of the utility's meeting and exceeding the minimum one percent energy savings goal and the 1.5 percent goal as soon as reasonably feasible.

Sec. 43. **CLEAN ENERGY RESOURCE TEAMS; APPROPRIATION.**

The utility subject to Minnesota Statutes, section 116C.779, shall transfer $563,000 in fiscal year 2010 and $563,000 in fiscal year 2011 from the renewable development account established in Minnesota Statutes, section 116C.779, to the Department of Commerce on a schedule to be determined by the commissioner of commerce. The funds must be deposited in the special revenue fund and are appropriated to the commissioner for the purposes of this section.

$563,000 in fiscal year 2010 and $563,000 in fiscal year 2011 are for continued funding of community energy technical assistance and outreach on renewable energy and energy efficiency, as described in Minnesota Statutes, section 216C.385. Of this amount, $113,000 each year is for technical assistance in the metropolitan area.

Sec. 44. **REPEALER.**

Laws 2007, chapter 3, section 3, is repealed."

Delete the title and insert:

"A bill for an act relating to energy; modifying or adding provisions relating to renewable energy production incentives and initiatives, C-BED contracts, renewable energy purchases, certain appraisal fees, energy conservation, utility costs and refunds, renewable and high-efficiency energy rate options, solar energy, utility energy savings, renewable residential heating, biomethane purchases, Sustainable Building 2030, power purchase agreements, power transmission, certificate of need exemptions, energy facilities, renewable development account,
the reliability administrator, wind energy conversion systems, municipal power agencies, and Mountain Iron Economic Development Authority; requiring legislative reports and proposals; appropriating money; amending Minnesota Statutes 2008, sections 116C.779, subdivision 2, by adding a subdivision; 117.189; 216B.16, subdivision 6c, by adding a subdivision; 216B.1645, subdivision 2a; 216B.169, subdivision 2; 216B.1691, subdivision 2a; 216B.23, by adding a subdivision; 216B.241, subdivisions 1c, 9, by adding subdivisions; 216B.2411, subdivisions 1, 2; 216B.2424, subdivision 5a; 216B.2425, subdivision 3; 216B.243, subdivisions 8, 9; 216C.052, subdivision 2; 216C.41, subdivision 5a; 216F.01, subdivisions 2, 3; 216F.012; 216F.02; 216F.08; 453.52, subdivisions 2, 7, 8; 453.53, subdivisions 1, 2, 3, 4, 8, 9; 453.55, subdivision 13; proposing coding for new law in Minnesota Statutes, chapters 216B; 216C; repealing Laws 2007, chapter 3, section 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.

Carlson from the Committee on Finance to which was referred:

H. F. No. 908, A bill for an act relating to unemployment insurance; providing for a shared work plan; proposing coding for new law in Minnesota Statutes, chapter 268; repealing Minnesota Statutes 2008, section 268.135.

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

The report was adopted.

Eken from the Committee on Environment Policy and Oversight to which was referred:

H. F. No. 1132, A bill for an act relating to natural resources; eliminating the need to scale cut forest products on state land; amending Minnesota Statutes 2008, sections 90.031, subdivision 5; 90.061, subdivisions 5, 8; 90.14; 90.151, subdivision 4; 90.181, subdivision 1; 90.221; 90.281; 90.41; repealing Minnesota Statutes 2008, sections 90.01, subdivision 4; 90.201, subdivision 2; 90.251; 90.252.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **APPRaised VOLUME TIMBER SALES; FISCAL YEARS 2010 AND 2011.**

(a) During fiscal years 2010 and 2011, the commissioner of natural resources shall increase the amount of timber products sold from state lands under permits based solely on the appraiser's estimate of the timber volume described in the permit, as provided in Minnesota Statutes, section 90.14, paragraph (c).

(b) The commissioner shall evaluate sales of timber under paragraph (a) and other methods used to sell timber from state lands to identify the method, or combination of methods, that is most efficient and effective in protecting the fiduciary interest of the state, including the permanent school fund.

(c) By January 15, 2011, the commissioner shall report to the house of representatives and senate natural resources policy and finance committees and divisions on the findings of the evaluation process completed under paragraph (b)."
Sec. 2. **FOREST MANAGEMENT LEASE PILOT PROJECT.**

(a) Notwithstanding the permit procedures of Minnesota Statutes, chapter 90, the commissioner of natural resources may lease state-owned forest lands for forest management purposes. The lease shall:

(1) require that the lessee comply with timber harvesting and forest management guidelines developed under Minnesota Statutes, section 89A.05, adopted by the Minnesota Forest Resources Council, and in effect at the time that the lease is issued; and

(2) provide for public access for hunting, fishing, and motorized and nonmotorized recreation to the leased land that is the same as would be available under state management.

(b) For the purposes of this section, the term "state-owned forest lands" may include school trust lands as defined in Minnesota Statutes, section 92.025, or university land granted to the state by Acts of Congress.

(c) By December 15, 2009, the commissioner of natural resources shall provide a report to the house or representatives and senate natural resources policy and finance committees and divisions on the pilot project. The report must detail a plan for implementation of the pilot project with a starting date that is no later than July 1, 2010.

(d) Upon implementation of the pilot project, the commissioner shall provide an annual report to the house of representatives and senate natural resources policy and finance committees and divisions on the progress of the project, including the acres leased, a breakdown of the types of forest land, and amounts harvested by species. The report shall include a net revenue analysis comparing the lease revenue with the estimated net revenue that would be obtained through state management and silvicultural practices cost savings the state realizes through leasing."

Delete the title and insert:

"A bill for an act relating to natural resources; requiring increase in appraised estimates for timber sales; requiring forest lease pilot project and reports."

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. 1394, A bill for an act relating to real property; specifying notice requirements; modifying provisions governing the reduced redemption period for abandoned property; establishing a duty to protect vacant foreclosed property under certain circumstances; providing for the imposition of fines for failure to maintain property; altering the posting requirement for trespassing on construction sites; modifying provisions governing public nuisances; imposing civil and criminal penalties; amending Minnesota Statutes 2008, sections 463.251, subdivisions 2, 3; 504B.151, subdivision 1; 504B.178, subdivision 8; 580.021, subdivision 1; 580.04; 580.041, subdivision 1a; 580.042, subdivision 1; 582.031; 582.032, subdivisions 2, 4, 5; 609.605, subdivision 1; 617.80, subdivision 7, by adding a subdivision; 617.81, subdivisions 2, 4.

Reported the same back with the following amendments:

Page 2, lines 1 and 4, after "any" insert "mortgage or"
Page 2, line 9, after "aside" insert "and there is prima facie evidence of abandonment of the property as described in section 582.032, subdivision 7"

Page 2, line 11, delete "the" and insert "a"

Page 2, line 24, delete ".581." and after "582, " insert "or summons and complaint under chapter 581,"

Page 3, lines 8 and 27, delete "June" and insert "August"

Page 3, delete lines 28 and 29 and insert "cancellations of contracts for deed in which the notice of cancellation is first served or published on or after August 1, 2009, and mortgage foreclosures under Minnesota Statutes, chapter 581, in which the lis pendens is recorded on or after August 1, 2009."

Page 4, line 3, delete "June" and insert "August" and delete "a" and insert "foreclosures under Minnesota Statutes, chapter 581, in which the lis pendens is recorded on or after August 1, 2009." Page 4, delete lines 4 and 5

Page 5, line 6, delete "June" and insert "August" and delete "a" and insert "foreclosures under Minnesota Statutes, chapter 581, in which the lis pendens is recorded on or after August 1, 2009."

Page 5, delete lines 7 and 8

Page 5, line 12, delete "June" and insert "August" and delete "a" and insert "foreclosures under Minnesota Statutes, chapter 581, in which the lis pendens is recorded on or after August 1, 2009."

Page 5, delete lines 13 and 14

Page 5, line 31, delete "the mortgage or" and insert "a"

Page 6, line 2, delete "and windows" and insert ", install locks on all windows that do not have them, and ensure that any existing window locks are functioning properly"

Page 6, line 9, delete "the mortgage or" and insert "a"

Page 7, line 19, after "defendant" insert "and the summons and complaint shall be delivered by certified mail to the foreclosing attorney"

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. 1457, A bill for an act relating to public safety; eliminating various unfunded mandates affecting local governmental units; amending Minnesota Statutes 2008, sections 245C.05, subdivision 7; 260B.171, subdivision 3; 609.115, subdivision 1.

Reported the same back with the following amendments:
Page 1, delete section 1
Page 2, line 14, after "that" insert "either mailed notice or"
Page 4, lines 16 to 17, delete the new language
Page 4, line 17, strike "shall" and insert "may"
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.

Eken from the Committee on Environment Policy and Oversight to which was referred:
H. F. No. 1539, A bill for an act relating to waters; providing for temporary drawdown of public waters; proposing coding for new law in Minnesota Statutes, chapter 103G.

Reported the same back with the following amendments:
Page 1, line 10, after "and" insert "makes findings of fact that the drawdown is"
Page 1, line 11, delete "a majority" and insert "at least 75 percent"
Page 1, line 15, delete "county and municipality" and insert "county, municipality, and watershed management organization, if one exists."
Page 2, after line 6, insert:
"(e) This section does not apply to public waters that have been designated for wildlife management under section 97A.101."

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. 1609, A bill for an act relating to public safety; modifying duties and responsibilities of Forensic Laboratory Advisory Board; requiring the board to appoint an executive secretary; establishing immunity from liability for board members; clarifying availability of investigation reports to the public; requiring the Department of Administration to provide office space and services to the board; defining forensic laboratory; providing for a study and report; appropriating money; amending Minnesota Statutes 2008, section 299C.156, subdivisions 1, 2, 3, 4, 5, 7, 9, 11, by adding a subdivision.

Reported the same back with the following amendments:
Page 3, delete section 4

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "establishing immunity from liability for board members;"

Correct the title numbers accordingly

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. 1719, A bill for an act relating to insurance; regulating viatical settlements; enacting and modifying the Viatical Settlements Model Act of the National Association of Insurance Commissions; providing criminal penalties; amending Minnesota Statutes 2008, sections 13.716, subdivision 7; 60A.964, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 60A; repealing Minnesota Statutes 2008, sections 60A.961; 60A.962; 60A.963; 60A.965; 60A.966; 60A.967; 60A.968; 60A.969; 60A.970; 60A.971; 60A.972; 60A.973; 60A.974.

Reported the same back with the following amendments:

Page 3, line 34, delete "coverage"

Page 9, line 35, after "stockholders" insert "who hold more than ten percent of the shares of the company"

Page 14, delete lines 13 to 14

Page 14, line 15, delete "(2)" and insert "(1)"

Page 14, line 18, delete "(3)" and insert "(2)"

Page 14, line 21, delete "(4)" and insert "(3)"

Page 14, line 22, delete "(5)" and insert "(4)"

Page 14, line 25, delete "(6)" and insert "(5)"

Page 15, line 1, delete "(7)" and insert "(6)"

Page 15, line 5, delete "(8)" and insert "(7)"

Page 15, line 9, delete "(9)" and insert "(8)"
Page 15, line 18, delete "(10)" and insert "(9)"

Page 22, line 8, delete "(7)" and insert "(6)"

With the recommendation that when so amended the bill pass.

The report was adopted.

Eken from the Committee on Environment Policy and Oversight to which was referred:

H. F. No. 1727, A bill for an act relating to natural resources; making wellhead protection areas eligible for the reinvest in Minnesota reserve program; modifying conservation reserve program; appropriating money; amending Minnesota Statutes 2008, section 103F.515, subdivisions 2, 4.

Reported the same back with the following amendments:

Page 3, lines 8 to 9, delete "perennial crops or"

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

The report was adopted.

Thissen from the Committee on Health Care and Human Services Policy and Oversight to which was referred:

H. F. No. 1760, A bill for an act relating to human services; amending continuing care provisions, including changes to medical assistance, nursing facilities, and data management; amending Minnesota Statutes 2008, sections 252.282, subdivisions 3, 5; 256B.0657, subdivisions 5, 8; 256B.0913, subdivisions 4, 5a, 12; 256B.0915, subdivision 2; 256B.431, subdivision 10; 256B.433, subdivision 1; 256B.438, subdivision 7; 256B.441, subdivisions 5, 11; 256B.5011, subdivision 2; 256B.5012, subdivisions 6, 7; 256B.5013, subdivisions 1, 6; 626.557, subdivision 12b; repealing Minnesota Statutes 2008, section 256B.5013, subdivisions 2, 3, 5.

Reported the same back with the following amendments:

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 2008, section 13.386, subdivision 3, is amended to read:

Subd. 3. Collection, storage, use, and dissemination of genetic information. (a) Unless otherwise expressly provided by law, genetic information about an individual:

(1) may be collected by a government entity, as defined in section 13.02, subdivision 7a, or any other person only with the written informed consent of the individual;

(2) may be used only for purposes to which the individual has given written informed consent;

(3) may be stored only for a period of time to which the individual has given written informed consent; and"
(4) may be disseminated only:

(i) with the individual's written informed consent; or

(ii) if necessary in order to accomplish purposes described by clause (2). A consent to disseminate genetic information under item (i) must be signed and dated. Unless otherwise provided by law, such a consent is valid for one year or for a lesser period specified in the consent.

(b) Notwithstanding paragraph (a), the Department of Health's collection, storage, use, and dissemination of genetic information and blood specimens for testing infants for heritable and congenital disorders are governed by sections 144.125 to 144.128.

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

Sec. 2. Minnesota Statutes 2008, section 43A.318, subdivision 2, is amended to read:

Subd. 2. Program creation; general provisions. (a) The commissioner may administer a program to make long-term care coverage available to eligible persons. The commissioner may determine the program's funding arrangements, request bids from qualified vendors, and negotiate and enter into contracts with qualified vendors. Contracts are not subject to the requirements of section 16C.16 or 16C.19. Contracts must be for a uniform term of at least one year, but may be made automatically renewable from term to term in the absence of notice of termination by either party. The program may not be self-insured until the commissioner has completed an actuarial study of the program and reported the results of the study to the legislature and self-insurance has been specifically authorized by law.

(b) The program may provide coverage for home, community, and institutional long-term care and any other benefits as determined by the commissioner. Coverage is optional. The enrolled eligible person must pay the full cost of the coverage.

(c) The commissioner shall promote activities that attempt to raise awareness of the need for long-term care insurance among residents of the state and encourage the increased prevalence of long-term care coverage. These activities must include the sharing of knowledge gained in the development of the program.

(d) The commissioner may employ and contract with persons and other entities to perform the duties under this section and may determine their duties and compensation consistent with this chapter.

(e) The benefits provided under this section are not terms and conditions of employment as defined under section 179A.03, subdivision 19, and are not subject to collective bargaining.

(f) The commissioner shall establish underwriting criteria for entry of all eligible persons into the program. Eligible persons who would be immediately eligible for benefits may not enroll.

(g) Eligible persons who meet underwriting criteria may enroll in the program upon hiring and at other times established by the commissioner.

(h) An eligible person enrolled in the program may continue to participate in the program even if an event, such as termination of employment, changes the person's employment status.

(i) Participating public employee pension plans and public employers may provide automatic pension or payroll deduction for payment of long-term care insurance premiums to qualified vendors contracted with under this section.
(j) The premium charged to program enrollees must include an administrative fee to cover all program expenses incurred in addition to the cost of coverage. All fees collected are appropriated to the commissioner for the purpose of administrating the program.

(k) Public employees of local units of government including but not limited to townships, municipalities, cities, and counties may buy into the long-term care insurance under this section.

Sec. 3. Minnesota Statutes 2008, section 62Q.525, subdivision 2, is amended to read:

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

(b) "Medical literature" means articles from major peer reviewed medical journals that have recognized the drug or combination of drugs' safety and effectiveness for treatment of the indication for which it has been prescribed. Each article shall meet the uniform requirements for manuscripts submitted to biomedical journals established by the International Committee of Medical Journal Editors or be published in a journal specified by the United States Secretary of Health and Human Services pursuant to United States Code, title 42, section 1395x, paragraph (t), clause (2), item (B), as amended, as acceptable peer review medical literature. Each article must use generally acceptable scientific standards and must not use case reports to satisfy this criterion.

(c) "Off-label use of drugs" means when drugs are prescribed for treatments other than those stated in the labeling approved by the federal Food and Drug Administration.

(d) "Standard reference compendia" means any one of the following:

1. the United States Pharmacopeia Drug Information; or

2. the American Hospital Formulary Service Drug Information;

3. the National Comprehensive Cancer Network's Drugs and Biologics Compendium;

4. Thomson Micromedex's DrugDex;

5. Elsevier Gold Standard's Clinical Pharmacology; or

6. other authoritative compendia as identified from time to time by the United States Department of Health and Human Services.

Sec. 4. Minnesota Statutes 2008, section 62Q.525, subdivision 3, is amended to read:

Subd. 3. Required coverage. (a) Every type of coverage included in subdivision 1 that provides coverage for drugs may not exclude coverage of a drug for the treatment of cancer on the ground that the drug has not been approved by the federal Food and Drug Administration for the treatment of cancer if the drug is recognized for treatment of cancer in one of the standard reference compendia adopted by the health plan on an annual basis or in one article in the medical literature, as defined in subdivision 2.

(b) Coverage of a drug required by this subdivision includes coverage of medically necessary services directly related to and required for appropriate administration of the drug.

(c) Coverage required by this subdivision does not include coverage of a drug not listed on the formulary of the coverage included in subdivision 1.
(d) Coverage of a drug required under this subdivision must not be subject to any co-payment, coinsurance, deductible, or other enrollee cost-sharing greater than the coverage included in subdivision 1 applies to other drugs.

(e) The commissioner of commerce or health, as appropriate, may direct a person that issues coverage included in subdivision 1 to make payments required by this section.

Sec. 5. Minnesota Statutes 2008, section 144.125, subdivision 3, is amended to read:

Subd. 3. Objection of parents to test Information provided to parents. Persons with a duty to perform testing under subdivision 1 shall advise parents of infants (1) that the blood or tissue samples used to perform testing thereunder as well as the results of such testing may be retained by the Department of Health, (2) the benefit of retaining the blood or tissue sample, and (3) that the following options are available to them with respect to the testing: (i) to decline to have the tests, or (ii) to elect to have the tests but to require that all blood samples and records of test results be destroyed within 24 months of the testing. If the parents of an infant object in writing to testing for heritable and congenital disorders or elect to require that blood samples and test results be destroyed, the objection or election shall be recorded on a form that is signed by a parent or legal guardian and made part of the infant's medical record. A written objection exempts an infant from the requirements of this section and section 144.128. (a) Prior to collecting a sample, persons with a duty to perform testing under subdivision 1 must provide parents or legal guardians of infants with a document that provides the following information:

(1) the blood sample will be used to test for heritable and congenital disorders, the blood sample will be retained by the Department of Health for a period of two years, and that blood sample may be used for newborn screening program operations;

(2) the data that will be collected as a result of the testing;

(3) the alternatives available to the parents or legal guardians in paragraph (c) and that a form to exercise the alternatives is available to the parent or legal guardian from the person with a duty to perform testing under subdivision 1;

(4) the benefits of testing and the consequences of a decision to permit or refuse to supply a sample;

(5) the benefits of retaining the blood sample and the consequences of a decision to destroy the blood sample or to permit or decline to have the blood sample used for newborn screening program operations;

(6) the ways in which the samples and data collected will be stored and used at the Department of Health and elsewhere; and

(7) the Department of Health's Web site address where the forms in paragraph (c) may be obtained.

This document satisfies the requirements of section 13.04, subdivision 2.

(b) The person with a duty to perform testing must record that parents or legal guardians of infants have received the information provided under this subdivision and have had an opportunity to ask questions.

(c) The parent or legal guardian of an infant otherwise subject to testing under this section may object to any of the following:

(1) the testing itself;

(2) the storage of the infant's blood samples;
(3) the storage of the infant's test results for a period of longer than 24 months; and

(4) the use of the infant's blood samples and test results for newborn screening program operations.

If a parent or legal guardian elects to object to one or more of the alternatives in this paragraph, the election shall be recorded on a form that is signed by the parent or legal guardian. The signed form shall be made part of the infant's medical record and shall be provided to the Department of Health. The signature of the parent or legal guardian is sufficient and no witness to the signature, photo identification, or notarization shall be required. When a parent or legal guardian elects an alternative under this subdivision, the Department of Health must follow the election and section 144.128, to the extent that section 144.128 pertains to the elected alternative. If the parent or legal guardian objects to the testing itself, section 144.128 does not apply.

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

Sec. 6. Minnesota Statutes 2008, section 144.125, is amended by adding a subdivision to read:

Subd. 4. **Storage and use of samples for newborn screening program operations.** (a) The department may store and use the newborn screening program blood samples for up to 24 months for newborn screening program operations and may store samples for an additional month to carry out the destruction of samples required under subdivision 7.

(b) Notwithstanding paragraph (a), the department may use and store the newborn screening samples for individual health-related studies or any other purpose with a written informed consent of the parent or legal guardian.

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

Sec. 7. Minnesota Statutes 2008, section 144.125, is amended by adding a subdivision to read:

Subd. 5. **Newborn screening program operations.** "Newborn screening program operations" means actions, testing, and procedures directly related to the improvement, implementation, and development of the newborn screening program, such as the testing of the samples, confirmatory testing, laboratory quality control, calibration of equipment, evaluating and improving the accuracy of newborn screening tests, implementation and validation of equipment and technology, and studies or research related to the development of new newborn screening tests.

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

Sec. 8. Minnesota Statutes 2008, section 144.125, is amended by adding a subdivision to read:

Subd. 6. **Development of new screening tests.** When samples are used for program operations to develop new newborn screening tests, the department must remove information that directly links infants to samples, but may use serial numbers that would allow a re-linkage in case a serious issue is discovered that needs to be communicated to the parent or guardian of an infant. Such a re-linkage may only be done after consultation with an ethics committee or an institutional review board.

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

Sec. 9. Minnesota Statutes 2008, section 144.125, is amended by adding a subdivision to read:

Subd. 7. **Destruction of samples within 25 months.** (a) Unless a parent or legal guardian has given written informed consent, the department must destroy all newborn screening blood samples within 25 months of the month of birth.
(b) The department must implement this subdivision by July 1, 2010.

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

Sec. 10. Minnesota Statutes 2008, section 144.125, is amended by adding a subdivision to read:

Subd. 8. Records retention requirements. The department shall retain test results in compliance with section 138.17.

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

Sec. 11. Minnesota Statutes 2008, section 144.125, is amended by adding a subdivision to read:

Subd. 9. Destruction of existing samples. Unless a parent or legal guardian has given written informed consent, the department must destroy all newborn screening blood samples retained by the department as of June 1, 2009, within 25 months of that date.

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

Sec. 12. Minnesota Statutes 2008, section 144.7065, subdivision 8, is amended to read:

Subd. 8. Root cause analysis; corrective action plan. Following the occurrence of an adverse health care event, the facility must conduct a root cause analysis of the event. In conducting the root cause analysis, if evidence determines staffing is a factor, then the facility will review the impact of staffing levels on the event. Following the analysis, the facility must: (1) implement a corrective action plan to implement the findings of the analysis or (2) report to the commissioner any reasons for not taking corrective action. If the root cause analysis and the implementation of a corrective action plan are complete at the time an event must be reported, the findings of the analysis and the corrective action plan must be included in the report of the event. The findings of the root cause analysis and a copy of the corrective action plan must otherwise be filed with the commissioner within 60 days of the event.

Sec. 13. Minnesota Statutes 2008, section 144.7065, subdivision 10, is amended to read:

Subd. 10. Relation to other law; data classification. (a) Adverse health events described in subdivisions 2 to 6 do not constitute "maltreatment," "neglect," or "a physical injury that is not reasonably explained" under section 626.556 or 626.557 and are excluded from the reporting requirements of sections 626.556 and 626.557, provided the facility makes a determination within 24 hours of the discovery of the event that this section is applicable and the facility files the reports required under this section in a timely fashion.

(b) A facility that has determined that an event described in subdivisions 2 to 6 has occurred must inform persons who are mandated reporters under section 626.556, subdivision 3, or 626.5572, subdivision 16, of that determination. A mandated reporter otherwise required to report under section 626.556, subdivision 3, or 626.557, subdivision 3, paragraph (e), is relieved of the duty to report an event that the facility determines under paragraph (a) to be reportable under subdivisions 2 to 6.

(c) The protections and immunities applicable to voluntary reports under sections 626.556 and 626.557 are not affected by this section.

(d) Notwithstanding section 626.556, 626.557, or any other provision of Minnesota statute or rule to the contrary, neither a lead agency under section 626.556, subdivision 3c, or 626.5572, subdivision 13, the commissioner of health, nor the director of the Office of Health Facility Complaints is required to conduct an
investigation of or obtain or create investigative data or reports regarding an event described in subdivisions 2 to 6. If the facility satisfies the requirements described in paragraph (a), the review or investigation shall be conducted and data or reports shall be obtained or created only under sections 144.706 to 144.7069, except as permitted or required under sections 144.50 to 144.564, or as necessary to carry out the state's certification responsibility under the provisions of sections 1864 and 1867 of the Social Security Act. If a licensed health care provider reports an event to the facility required to be reported under subdivisions 2 to 6, in a timely manner, the provider's licensing board is not required to conduct an investigation of or obtain or create investigative data or reports regarding the individual reporting of the events described in subdivisions 2 to 6.

(e) Data contained in the following records are nonpublic and, to the extent they contain data on individuals, confidential data on individuals, as defined in section 13.02:

(1) reports provided to the commissioner under sections 147.155, 147A.155, 148.267, 151.301, and 153.255;

(2) event reports, findings of root cause analyses, and corrective action plans filed by a facility under this section; and

(3) records created or obtained by the commissioner in reviewing or investigating the reports, findings, and plans described in clause (2).

For purposes of the nonpublic data classification contained in this paragraph, the reporting facility shall be deemed the subject of the data.

Sec. 14. Minnesota Statutes 2008, section 145.56, subdivision 1, is amended to read:

Subdivision 1. Suicide prevention plan. The commissioner of health shall refine, coordinate, and implement the state's suicide prevention plan using an evidence-based, public health approach for a life span plan focused on awareness and prevention, in collaboration with the commissioner of human services; the commissioner of public safety; the commissioner of education; the chancellor of Minnesota State Colleges and Universities; the president of the University of Minnesota; and appropriate agencies, organizations, and institutions in the community.

Sec. 15. Minnesota Statutes 2008, section 145.56, subdivision 2, is amended to read:

Subd. 2. Community-based programs. To the extent funds are appropriated for the purposes of this subdivision, the commissioner shall establish a grant program to fund:

(1) community-based programs to provide education, outreach, and advocacy services to populations who may be at risk for suicide;

(2) community-based programs that educate community helpers and gatekeepers, such as family members, spiritual leaders, coaches, and business owners, employers, and coworkers on how to prevent suicide by encouraging help-seeking behaviors;

(3) community-based programs that educate populations at risk for suicide and community helpers and gatekeepers that must include information on the symptoms of depression and other psychiatric illnesses, the warning signs of suicide, skills for preventing suicides, and making or seeking effective referrals to intervention and community resources; and

(4) community-based programs to provide evidence-based suicide prevention and intervention education to school staff, parents, and students in grades kindergarten through 12, and for students attending Minnesota colleges and universities.
Sec. 16. Minnesota Statutes 2008, section 145.712, subdivision 2, is amended to read:

Subd. 2. Prescription expiration date. A prescription written by an optometrist or physician must expire two years after it is written, unless a different expiration date is warranted by the patient's ocular health. If the prescription is valid for less than two years, the optometrist or physician must note the medical reason for the prescription's expiration date in the patient's record and must orally explain to the patient at the time of the eye examination the reason for the prescription's expiration date.

Sec. 17. Minnesota Statutes 2008, section 148.995, subdivision 2, is amended to read:

Subd. 2. Certified doula. "Certified doula" means an individual who has received a certification to perform doula services from the International Childbirth Education Association, the Doulas of North America (DONA), the Association of Labor Assistants and Childbirth Educators (ALACE), Birthworks, Childbirth and Postpartum Professional Association (CAPPA), or Childbirth International, or International Center for Traditional Childbearing.

Sec. 18. Minnesota Statutes 2008, section 148.995, subdivision 4, is amended to read:

Subd. 4. Doula services. "Doula services" means continuous emotional and physical support during pregnancy, labor, birth, and postpartum throughout labor and birth, and intermittently during the prenatal and postpartum periods.

Sec. 19. Minnesota Statutes 2008, section 182.6551, is amended to read:

182.6551 CITATION; SAFE PATIENT HANDLING ACT.

Sections 182.6551 to 182.6554 may be cited as the "Safe Patient Handling Act."

Sec. 20. Minnesota Statutes 2008, section 182.6552, is amended by adding a subdivision to read:

Subd. 5. Clinical settings that move patients. "Clinical settings that move patients" means physician, dental, and other outpatient care facilities, except for outpatient surgical settings, where service requires movement of patients from point to point as part of the scope of service.

Sec. 21. [182.6554] SAFE PATIENT HANDLING IN CLINICAL SETTINGS.

Subdivision 1. Safe patient handling plan required. (a) By July 1, 2010, every clinical setting that moves patients in the state shall develop a written safe patient handling plan to achieve by January 1, 2012, the goal of ensuring the safe handling of patients by minimizing manual lifting of patients by direct patient care workers and by utilizing safe patient handling equipment.

(b) The plan shall address:

(1) assessment of risks with regard to patient handling that considers the patient population and environment of care;

(2) the acquisition of an adequate supply of appropriate safe patient handling equipment;

(3) initial and ongoing training of direct patient care workers on the use of this equipment;

(4) procedures to ensure that physical plant modifications and major construction projects are consistent with plan goals; and
(5) periodic evaluations of the safe patient handling plan. A health care organization with more than one covered clinical setting that moves patients may establish a plan at each clinical setting or establish one plan to serve this function for all the clinical settings.

Subd. 2. **Facilities with existing programs.** A clinical setting that moves patients that has already adopted a safe patient handling plan that satisfies the requirements of subdivision 1, or a clinical setting that moves patients that is covered by a safe patient handling plan that is covered under and consistent with section 182.6553, is considered to be in compliance with the requirements of this section.

Subd. 3. **Training materials.** The commissioner shall make training materials on implementation of this section available at no cost to all clinical settings that move patients as part of the training and education duties of the commissioner under section 182.673.

Subd. 4. **Enforcement.** This section shall be enforced by the commissioner under section 182.661. A violation of this section is subject to the penalties provided under section 182.666.

Sec. 22. Minnesota Statutes 2008, section 252.27, subdivision 1a, is amended to read:

Subd. 1a. **Definitions.** A "related condition" is a condition (1) that is found to be closely related to developmental disability, including, but not limited to, cerebral palsy, epilepsy, autism, fetal alcohol spectrum disorder, and Prader-Willi syndrome; and (2) that meets all of the following criteria:

- (i) is severe and chronic;
- (ii) results in impairment of general intellectual functioning or adaptive behavior similar to that of persons with developmental disabilities;
- (iii) requires treatment or services similar to those required for persons with developmental disabilities;
- (iv) is manifested before the person reaches 22 years of age;
- (v) is likely to continue indefinitely;
- (vi) results in substantial functional limitations in three or more of the following areas of major life activity: self-care, understanding and use of language, learning, mobility, self-direction, capacity for independent living; and
- (vii) is not attributable to mental illness as defined in section 245.462, subdivision 20, or an emotional disturbance as defined in section 245.4871, subdivision 15.

For purposes of clause (7) item (vii), notwithstanding section 245.462, subdivision 20, or 245.4871, subdivision 15, "mental illness" does not include autism or other pervasive developmental disorders."

Page 2, after line 14, insert:

"Sec. 25. Minnesota Statutes 2008, section 253B.095, subdivision 1, is amended to read:

Subdivision 1. **Court release.** (a) After the hearing and before a commitment order has been issued, the court may release a proposed patient to the custody of an individual or agency upon conditions that guarantee the care and treatment of the patient.
(b) A person against whom a criminal proceeding is pending may not be released.

(c) A continuance for dismissal, with or without findings, may be granted for up to 90 days.

(d) When the court stays an order for commitment for more than 14 days beyond the date of the initially scheduled hearing, the court shall issue an order that must include:

(1) a written plan for services to which the proposed patient has agreed;

(2) a finding that the proposed treatment is available and accessible to the patient and that public or private financial resources are available to pay for the proposed treatment;

(3) conditions the patient must meet to avoid revocation of the stayed commitment order and imposition of the commitment order; and

(4) a condition that the patient is prohibited from giving consent to participate in a psychiatric clinical drug trial while the court order is in effect.

(e) If a stay of commitment is continued as provided in subdivision 3, the court may allow the patient to give consent to participate in a specific psychiatric clinical drug trial if the treating psychiatrist submits an affidavit that the patient may benefit from participating in the trial because treatment options offered have been ineffective. The treating psychiatrist must not be the psychiatrist conducting the psychiatric clinical drug trial.

(f) A person receiving treatment under this section has all rights under this chapter.

Page 3, delete section 4

Page 8, line 16, reinstate the stricken "A"

Page 8, line 17, delete "facilities" and insert "facility" and delete "are" and insert "is"

Page 8, line 18, after the second comma, insert "and" and delete "were" and insert "was"

Page 9, line 8, strike "pursuant to" and insert "under"

Page 9, line 12, after "9505.0475" insert a comma

Page 10, delete section 11

Page 18, after line 18, insert:

"Sec. 40. Minnesota Statutes 2008, section 403.03, is amended to read:

403.03 911 SERVICES TO BE PROVIDED.

Services available through a 911 system shall include police, firefighting, and emergency medical and ambulance services. Other emergency and civil defense services may be incorporated into the 911 system at the discretion of the public agency operating the public safety answering point. The 911 system may include a referral to mental health crisis teams, where available.

Page 18, line 30, delete "at least a period of"
Page 18, line 31, before the period, insert "and then destroy the data unless otherwise directed by federal requirements"

Page 20, line 5, before the colon, insert "and then destroyed unless otherwise directed by federal requirements"

Page 20, lines 6, 10, and 13, delete "at least a period of" and insert "for"

Page 20, line 8, delete "at least a period"

Page 20, line 9, delete "of" and insert "for"

Page 21, after line 8, insert:

"Sec. 42. NEWBORN SCREENING REPORT.

By January 15, 2010, the Department of Health shall report and make recommendations to the legislature on its current efforts for ensuring and enhancing how parents or legal guardians of newborns are fully informed about the newborn screening program and of their rights and options regarding testing; storage; public health practices, studies, and research; the ability to opt out of the collection of data and specimens related to the testing; and the ability to seek private testing.

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

Sec. 43. HEALTH DEPARTMENT WORKGROUP; HOSPITAL ASSOCIATION COMMITTEES.

(a) The commissioner of health shall consult with representatives from the Minnesota Nurses Association, Minnesota Hospital Association, and other shareholders to further define staffing levels for purposes of Minnesota Statutes, section 144.7065, subdivision 8, and to develop questions related to staffing for inclusion in the root cause analysis tool required under that subdivision.

(b) The Minnesota Nurses Association and the Minnesota Hospital Association shall develop a memorandum of understanding that outlines ways to include representatives from the Minnesota Nurses Association and the Minnesota Hospital Association work groups and committees dealing with adverse health care events and corrective action plans under Minnesota Statutes, section 144.7065."

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete line 2

Page 1, line 3, delete everything before "amending" and insert "relating to health and human services; amending continuing care provisions; making changes to nursing facilities; rate-reimbursements; newborn screening; modifying the Safe Patient Handling Act; prescription drugs; doula services; mental health; data practices; requiring a workgroup and reports;"

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. 1813, A bill for an act relating to construction codes; providing for regulation of elevators in grain elevators; amending Minnesota Statutes 2008, section 326B.163, 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.163, subdivision 5, is amended to read:

Subd. 5. Elevator. As used in this chapter, "elevator" means moving walks and vertical transportation devices such as escalators, passenger elevators, freight elevators, dumbwaiters, hand-powered elevators, endless belt lifts, and wheelchair platform lifts; but, Elevator does not include:

(1) external temporary material lifts or temporary construction personnel elevators at sites of construction of new or remodeled buildings; or

(2) manlifts in grain elevators and feed mills subject to installation limitations under Minnesota Rules, part 5205.0550.

Sec. 2. Minnesota Statutes 2008, section 326B.184, subdivision 2, is amended to read:

Subd. 2. Annual operating permit. No person, except for an organization designated as a nonprofit entity under section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1999, may operate an elevator without first obtaining an annual operating permit from the department or a municipality authorized by subdivision 4 to issue annual operating permits. A $100 annual operating permit fee must be paid to the department for each annual operating permit issued by the department, except that the original annual operating permit must be included in the permit fee for the initial installation of the elevator. Annual operating permits must be issued at 12-month intervals from the date of the initial annual operating permit. For each subsequent year, an owner must be granted an annual operating permit for the elevator upon the owner's or owner's agent's submission of a form prescribed by the commissioner and payment of the $100 fee. Each form must include the location of the elevator, the results of any periodic test required by the code, and any other criteria established by rule. An annual operating permit may be revoked by the commissioner upon an audit of the periodic testing results submitted with the application or a failure to comply with elevator code requirements, inspections, or any other law related to elevators.

Sec. 3. REGULATION OF MANLIFTS IN GRAIN ELEVATORS; STUDY.

The Department of Labor and Industry shall establish an advisory committee to review existing rules and laws relating to special purpose lifts, hand elevators, and manlifts in grain elevators, feed mills, and similar facilities not for public use. The department shall report to the legislature by January 30, 2010, any statutory or rule changes needed to address the appropriate maintenance criteria, qualifications of maintenance personnel, and annual operating permits, inspections, audits, and fees for manlifts, hand elevators, or special purpose lifts in grain elevators, feed mills, or similar facilities not for public use.

Sec. 4. EFFECTIVE DATE.

Sections 1 to 3 are effective the day following final enactment."
Delete the title and insert:

"A bill for an act relating to construction codes; modifying elevator provisions; requiring a report; amending Minnesota Statutes 2008, sections 326B.163, subdivision 5; 326B.184, subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Rukavina from the Higher Education and Workforce Development Finance and Policy Division to which was referred:

H. F. No. 1850, A bill for an act relating to state government; reorganizing the administration of various training and employment functions; transferring various responsibilities to Minnesota State Colleges and Universities.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 116L.666, subdivision 3, is amended to read:

Subd. 3. Membership on local workforce councils. In workforce service areas representing only one home rule charter or statutory city or a county, the chief elected official must appoint members to the council. In workforce service areas representing two or more home rule charter or statutory cities or counties, the chief elected officials of the home rule charter or statutory cities or counties must appoint members to the council, in accordance with an agreement entered into by such units of general local government.

A council shall include as members:

(1) representatives of the private sector, who must constitute a majority of the membership of the council and who are owners of business concerns, chief executives or chief operating officers of nongovernmental employers, or other private sector executives who have substantial management or policy responsibility;

(2) at least two representatives of organized labor;

(3) representatives of the area workforce and community-based organizations, who shall constitute not less than 15 percent of the membership of the council; and

(4) representatives of each of the following:

(i) educational agencies that are representative of all educational agencies within the workforce service area;

(ii) vocational rehabilitation agencies;

(iii) public assistance agencies;

(iv) economic development agencies; and

(v) public employment service agencies."
The chair of each local workforce council shall be selected from among the members of the council who are representatives of the private sector.

Private sector representatives on the local workforce council shall be selected from among individuals nominated by general purpose business organizations, such as local chambers of commerce, in the workforce service area.

Education representatives on the local workforce council must include at least one representative from a local adult basic education program approved under section 124D.52 and the remaining education representatives shall be selected from among individuals nominated by secondary and postsecondary educational institutions within the workforce service area.

Organized labor representatives on the local workforce council shall be selected from individuals recommended by recognized state and local labor federations, organizations, or councils. If the state or local labor federations, organizations, or councils fail to nominate a sufficient number of individuals to meet the labor representation requirements, individual workers may be included on the local workforce council to complete the labor representation.

The commissioner must certify a local workforce council if the commissioner determines that its composition and appointments are consistent with this subdivision.

Sec. 2. **COLLABORATIVE LOCAL PROJECTS; COORDINATION OF EMPLOYMENT, TRAINING, AND EDUCATION SERVICES.**

Subdivision 1. **Collaborative local projects; selection.** The governor's Workforce Development Council shall convene a meeting with representatives of the Department of Employment and Economic Development, the Department of Human Services, the Department of Education with respect to K-12 institutions and adult basic education, the University of Minnesota, and the Minnesota State Colleges and Universities to identify and establish four collaborative local projects to plan and coordinate employment, training, and education programs and services administered by those agencies and institutions. By August 1, 2009, the local projects must be selected to represent different configurations of workforce centers, college campuses, and adult basic education programs. Three of the local projects must be located in a workforce services area under Minnesota Statutes, section 116L.666, as follows: one that is an urban area; one in a greater Minnesota regional center; and one in a rural area. At least one of these local projects must include a workforce center located on a campus of the Minnesota State Colleges and Universities. Each local project selected under this subdivision must be assigned to a local workforce council to develop a collaboration plan under subdivision 3.

Subd. 2. **Employment, training, and education goals.** The goals of the collaborative local employment, training, and education projects include, but are not limited to:

1. engaging low-skilled workers in increasing their skill levels;
2. providing skill training while upgrading basic skill levels;
3. improving the provision of skill training to individuals currently working;
4. integrating employer contact efforts to improve responsiveness to employer’s needs;
5. strengthening employer input with training curriculum;
6. improving access to service and training to public assistance recipients;
(7) integrating career planning and job placement efforts among institutions;
(8) maximizing coordination and reducing duplication among providers;
(9) systematically evaluating industry training needs; and
(10) providing noncredit remediation at no cost to students.

Subd. 3. **Collaboration plan.** A local workforce council assigned a project under this section must develop a plan on how employment, training, and education services offered by the state agencies and institutions can be collaboratively offered to attain the goals of subdivision 2. The collaboration plan must be developed through a stakeholder process that includes, at a minimum, representatives from:

(1) Minnesota State Colleges and Universities;
(2) local adult basic education;
(3) workforce centers;
(4) local school districts;
(5) community action agencies; and
(6) public housing agencies.

Each local project must report their plans to the governor's workforce development council which must report on the plans to the committees of the legislature with responsibility for workforce development by March 15, 2010. The report must include each local project plan with recommendations on state agency and higher education programs and services that should be integrated into a local project. The report may also include recommendations on necessary enhancements and improvements of services and processes, and identification of private and public funding, waivers, and other program modifications necessary to better achieve the goals of subdivision 2.

Subd. 4. **Plan implementation.** By July 1, 2010, each local collaborative project must implement its plan for at least one year. Local collaborators, including the agencies listed in subdivision 3, may modify a plan if the modification would better achieve plan goals.

Subd. 5. **Second report to legislature.** By February 15, 2011, each local project must report to the governor's workforce development council on progress in implementing the plan. By March 11, 2011, the governor’s workforce development council must report to the committees of the legislature responsible for workforce development on the progress of implementing plans under this section. The report must include recommendations on funding, system design, and statutory changes that are reasonable and necessary to achieve the goals of subdivision 2.

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

Delete the title and insert:

"A bill for an act relating to workforce development; amending local workforce council representative requirements; establishing collaborative local projects; coordinating employment training and education services; amending Minnesota Statutes 2008, section 116L.666, subdivision 3."

With the recommendation that when so amended the bill pass and be re-referred to the Early Childhood Finance and Policy Division.

The report was adopted.
SECOND READING OF HOUSE BILLS

H. F. Nos. 545, 908, 1394, 1457, 1539, 1719, 1760 and 1813 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. No. 1904 was read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Koenen, Magnus and Wagenius introduced:

H. F. No. 2297, A bill for an act relating to local government; authorizing counties to make joint purchases of energy and energy generation projects; authorizing a tax levy; amending Minnesota Statutes 2008, section 373.48, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Newton introduced:

H. F. No. 2298, A bill for an act relating to local government; providing for additional financing of parks, trails, and recreational facilities for local units of government by special assessments; proposing coding for new law in Minnesota Statutes, chapter 448.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.

Downey, Seifert, Kahn, Zellers and Winkler introduced:

H. F. No. 2299, A bill for an act relating to state government; consolidating state agency information technology systems and services; specifying duties for information technology services and equipment; transferring duties of the chief information officer to the Office of Enterprise Technology; requiring reports; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 16E.

The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform, Technology and Elections.
Howes introduced:

H. F. No. 2300, A bill for an act relating to insurance; permitting consumers the option of waiving auto insurance no-fault medical coverage that duplicates other medical coverage; specifying effects on coordination of benefits; amending Minnesota Statutes 2008, sections 65B.44, by adding a subdivision; 65B.51, subdivision 2; 65B.61, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Commerce and Labor.

Juhnke introduced:

H. F. No. 2301, A bill for an act relating to agriculture; appropriating money for clean water activities.

The bill was read for the first time and referred to the Committee on Finance.

Holberg introduced:

H. F. No. 2302, A bill for an act relating to natural resources; restricting conservation easements in certain conditions; modifying the time period to implement local water plans; amending Minnesota Statutes 2008, sections 84C.02; 103B.235, subdivision 4; 103B.325, subdivision 3.

The bill was read for the first time and referred to the Committee on Environment Policy and Oversight.

Olin introduced:

H. F. No. 2303, A bill for an act relating to education finance; authorizing a grant for an online high school agricultural education program; appropriating money.

The bill was read for the first time and referred to the Committee on Finance.

CONSENT CALENDAR

S. F. No. 743, A bill for an act relating to commerce; weights and measures; updating petroleum standards; establishing standards for biodiesel blends and fuels; amending Minnesota Statutes 2008, sections 239.761, subdivisions 3, 4, 5, 6, 7, 9, 11, 16; 239.77, subdivision 1; 296A.01, subdivisions 8, 20, 23, 24, 26, 28.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abeler  Anderson, S.  Beard  Bly  Brynaert  Carlson
Anderson, B.  Anzelc  Benson  Brod  Buesgens  Champion
Anderson, P.  Atkins  Bigham  Brown  Bunn  Clark
Those who voted in the negative were:

Emmer

The bill was passed and its title agreed to.

CALENDAR FOR THE DAY

H. F. No. 819, A bill for an act relating to commerce; prohibiting certain unfair Internet ticket sales by original sellers and resellers; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 17 nays as follows:

Those who voted in the affirmative were:

Abeler          Cornish          Gardner          Hosch          Lanning          McNamara
Anderson, S.   Davids           Greiling         Howes           Lenzewski        Morgan
Anzelc         Davnie           Gunther          Huntley         Liebling         Morrow
Atkins          Dean             Hackbarth        Jackson         Lieder           Mullery
Benson          Dill             Hansen           Juhnke          Loeffer          Murphy, E.
Bigham          Dittrich         Hausman          Kahn            Loon             Murphy, M.
Bly             Doepke           Haws             Klin            Mack             Nelson
Brod            Doty             Hayden           Klin            Magnus           Newton
Brown           Downey           Hayden           Kuth            Magnussen        Obrunner
Brynaert        Eken             Hilstrom         Kelly           Mahoney          Nornes
Bunn            Emmer            Hilty            Kifffmeyer      Mariani          Norton
Carlson         Falk             Holberg          Kofun           Marquart         Obermiller
Champion        Faust            Hoppe            Koenen          Masin            Olin
Clark            Fritz            Hortman          Laine           McFarlane        Otreba
Those who voted in the negative were:

Anderson, B.  Buesgens  Drazkowski  Gottwald  Scott  Shimanski
Anderson, P.  Demmer  Eastlund  Kohls  Seifert  Smith
Beard  Dettmer  Garofalo  Peppin  Severson

The bill was passed and its title agreed to.

S. F. No. 335, A bill for an act relating to highways; designating the Speaker Irvin N. Anderson Memorial Highway; amending Minnesota Statutes 2008, section 161.14, subdivision 18, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.
S. F. No. 451, A bill for an act relating to highways; designating the Clearwater County Veterans Memorial Highway; amending Minnesota Statutes 2008, section 161.14, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

Reinert was excused for the remainder of today's session.

H. F. No. 878 was reported to the House.

Smith moved to amend H. F. No. 878, the first engrossment, as follows:

Page 1, line 16, delete "may" and insert "shall"

The motion prevailed and the amendment was adopted.

H. F. No. 878, A bill for an act relating to transportation; adding provision governing relocation of highway centerline; modifying provisions relating to county state-aid highways and municipal state-aid streets; regulating placement of advertising devices; providing procedures for plats of lands abutting state rail bank property; amending
Minnesota Statutes 2008, sections 161.16, by adding a subdivision; 162.06, subdivision 5; 162.07, subdivision 2; 162.09, subdivision 4; 162.13, subdivision 2; 173.02, by adding subdivisions; 173.16, subdivision 4; 505.03, subdivision 2.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 1 nay as follows:

Those who voted in the affirmative were:


Those who voted in the negative were:

Buesgens

The bill was passed, as amended, and its title agreed to.

H. F. No. 486, A bill for an act relating to transportation; highways; removing routes on the trunk highway system.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler  Anderson, Anderson, S.  Beard  Bigham  Bly  Bly  Brynaert  Carlson  Buesgens  Champion  Bunn  Clark
The bill was passed and its title agreed to.

S. F. No. 896, A bill for an act relating to energy; authorizing two or more existing municipal power agencies to form a new municipal power agency; amending Minnesota Statutes 2008, sections 453.52, subdivisions 2, 7, 8; 453.53, subdivisions 1, 2, 3, 4, 8, 9; 453.55, subdivision 13.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler   Demmer   Hausman   Laine   Murphy, M.   Sertich
Anderson, B.  Dettmer   Haws   Lanning   Nelson   Severson
Anderson, P.   Dill   Hayden   Lenczewski   Newton   Shimanski
Anderson, S.  Dittrich   Hilstrom   Lesch   Nornes   Simon
Anzele   Doepke   Hilty   Liebling   Norton   Slawik
Atkins   Doty   Holberg   Lieder   Obermueller   Slocum
Beard   Downey   Hoppe   Lillie   Olin   Smith
Benson   Drazkowski   Hortman   Loeffler   Otremba   Solberg
Bigham   Eastlund   Hosch   Loon   Paymar   Sterner
Bly   Eken   Howes   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   Rosenthal   Wagenius
Carlson   Garofalo   Kalin   McFarlane   Rukavina   Ward
Champion   Gottwald   Kath   McNamara   Ruud   Welti
Clark   Greiling   Kelly   Morgan   Sailer   Westrom
Cornish   Gunther   Kiffmeyer   Morrow   Sanders   Winkler
Davids   Hackbart   Knuth   Mullery   Scalze   Zellers
Davnie   Hamilton   Koenen   Murdock   Scott   Spk. Kelliher
Dean   Hansen   Kohls   Murray, E.   Seifert

The bill was passed and its title agreed to.
Sertich moved that the remaining bills on the Calendar for the Day be continued. The motion prevailed.

There being no objection, the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 855, 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.

COLLEEN J. PACHECO, First Assistant Secretary of the Senate

Hausman moved that the House refuse to concur in the Senate amendments to H. F. No. 855, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

FISCAL CALENDAR

Pursuant to rule 1.22, Lenczewski requested immediate consideration of S. F. No. 811.

S. F. No. 811, A bill for an act relating to education finance; authorizing Independent School District No. 2887, McLeod West, to issue general obligation bonds for its reorganization operating debt.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Abeler  Anderson, S.  Beard  Bly  Brynaert  Champion
Anderson, B.  Anzelc  Benson  Brod  Bunn  Clark
Anderson, P.  Atkins  Bigham  Brown  Carlson  Cornish
Those who voted in the negative were:

Buesgens  Emmer     Holberg  Zellers

The bill was passed and its title agreed to.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 855:

Hausman, Scalze, Wagenius, Rukavina and Howes.

MOTIONS AND RESOLUTIONS

Norton moved that the name of Haws be added as an author on H. F. No. 108. The motion prevailed.

Kalin moved that the name of Scalze be added as an author on H. F. No. 680. The motion prevailed.

Haws moved that the name of Liebling be added as an author on H. F. No. 1104. The motion prevailed.

Seifert moved that the name of Rukavina be added as an author on H. F. No. 1242. The motion prevailed.

Mullery moved that the name of Carlson be added as an author on H. F. No. 1296. The motion prevailed.

Buesgens moved that the name of Lenczewski be added as an author on H. F. No. 1375. The motion prevailed.

Kath moved that the names of Sterner and Kelliher be added as authors on H. F. No. 1756. The motion prevailed.
Beard moved that his name be stricken as an author on H. F. No. 1918. The motion prevailed.

Solberg moved that the name of Masin be added as an author on H. F. No. 2038. The motion prevailed.

Hansen moved that the name of Slocum be added as an author on H. F. No. 2285. The motion prevailed.

Mullery moved that H. F. No. 19, now on the General Register, be re-referred to the Committee on Finance. The motion prevailed.

Juhnke moved that H. F. No. 1813, now on the General Register, be re-referred to the Higher Education and Workforce Development Finance and Policy Division. The motion prevailed.

Davnie moved that H. F. No. 2279 be recalled from the Housing Finance and Policy and Public Health Finance Division and be re-referred to the Committee on Commerce and Labor. The motion prevailed.

Hilty moved that S. F. No. 550 be recalled from the Committee on Finance and be re-referred to the Committee on Ways and Means. The motion prevailed.

**ADJOURNMENT**

Sertich moved that when the House adjourns today it adjourn until 12:00 noon, Tuesday, April 14, 2009. The motion prevailed.

Sertich moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Tuesday, April 14, 2009.

**ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives**