The House of Representatives convened at 3:00 p.m. and was called to order by Kurt Zellers, Speaker of the House.

Prayer was offered by the Reverend Rob Eller Isaacs, Unity Church–Unitarian, St. Paul, Minnesota.

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

The roll was called and the following members were present:

Abeler       Dean       Hancock       Lanning       Mullery       Schomacker
Anderson, B. Dettmer    Hansen       Leidiger       Murdock       Scott
Anderson, D. Dill       Hausman       LeMieure       Murphy, E.     Shimanski
Anderson, P. Dittrich    Hayden       Lenczewski     Murphy, M.     Simon
Anderson, S. Doepke     Hilstrom      Lesch          Murray        Slawik
Anzele        Downey      Hilty         Liebling      Myhra         Slocum
Banaian       Drazkowski  Holberg       Lillie         Nelson        Smith
Barrett       Eken        Hoppe         Loeffler       Nornes        Stensrud
Beard         Erickson    Hornstein     Lohmer         Norton        Swedzinski
Benson, J.    Fabian      Hortman       Loon          O'Driscoll    Thissen
Benson, M.    Falk         Husch         Mack          Paymar        Tillberry
Bills         Franso      Howes         Mahoney       Pelowski      Torkelson
Brynaert      Fritz        Johnson       Mariani       Peppin        UrdaHL
Buesgens      Garofalo     Kahn          Marquart      Persell       Vogel
Carlson       Gauthier     Kath          Mazorl        Petersen, B.  Wagenius
Champion      Gottwald    Kelly          McDonald      Peterson, S.  Ward
Clark         Greene       Kieffer       McElfatrick   Poppe         Wardlow
Cornish       Greiling     Kiel          McFarlane     Quam          Westrom
Crawford      Gruenhagen  Kiffmeyer     McNamara      Rukavina      Winkler
Daudt         Gunther      Knuth         Melin          Runbeck       Woodard
Davids        Hackbart    Koenen        Moran          Saunders      Spk. Zellers
Davnie        Hamilton     Kriesel       Morrow

A quorum was present.

Huntley and Laine were excused.

Atkins was excused until 3:15 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. There being no objection, further reading of the Journal was dispensed with and the Journal was approved as corrected by the Chief Clerk.
REPORTS OF STANDING COMMITTEES AND DIVISIONS

Hamilton from the Committee on Agriculture and Rural Development Policy and Finance to which was referred:

H. F. No. 73, A bill for an act relating to finance; providing a grant for a proposed plasma-biomass plant in Lake of the Woods County; appropriating money.

Reported the same back with the following amendments:

Page 1, line 8, delete "plasma-biomass" and insert "biomass"

Amend the title as follows:

Page 1, line 2, delete "plasma-biomass" and insert "biomass"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

The report was adopted.

Gottwalt from the Committee on Health and Human Services Reform to which was referred:

H. F. No. 200, A bill for an act relating to health; requiring collection and reporting of certain data related to Alzheimer's disease; proposing coding for new law in Minnesota Statutes, chapter 144.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [62U.15] ALZHEIMER'S DISEASE; PREVALENCE AND SCREENING MEASURES.

Subdivision 1. Data from providers. (a) Beginning July 1, 2012, and annually thereafter, the commissioner shall collect the following measurements for Minnesotans 65 years of age and older from physician clinics:

(1) rates and results of cognitive screening;

(2) rates of Alzheimer's and other dementia diagnoses; and

(3) general information about prescribed care and treatment plans.

(b) The commissioner may contract with a private entity to complete the requirements in this subdivision. If the commissioner contracts with a private entity already under contract through section 62U.02, then the commissioner may use a sole source contract and is exempt from competitive procurement processes.

Subd. 2. Learning collaborative. By July 1, 2012, the commissioner shall develop a health care home learning collaborative curriculum that includes screening and education on best practices regarding identification and management of Alzheimer's and other dementia patients under section 256B.0751, subdivision 5, for providers, clinics, care coordinators, clinic administrators, patient partners and families, and community resources including public health.
Subd. 3. **Comparison data.** The commissioner, with the commissioner of human services, the Minnesota Board on Aging, and other appropriate state offices, shall jointly review existing and forthcoming literature in order to estimate differences in the outcomes and costs of current practices for caring for those with Alzheimer's disease and other dementias, compared to the outcomes and costs resulting from:

(1) earlier identification of Alzheimer's and other dementias;

(2) improved support of family caregivers; and

(3) improved collaboration between medical care management and community-based supports.

Subd. 4. **Reporting.** (a) By January 15, 2013, the commissioner must report to the legislature on progress in data collection and analysis required under this section.

(b) Beginning January 15, 2013, the commissioner must annually report on the analysis and findings required under this section to the public via the department's Web site and to the legislature."

Delete the title and insert:

"A bill for an act relating to health; requiring collection and reporting of certain data related to Alzheimer's disease; establishing a learning collaborative; proposing coding for new law in Minnesota Statutes, chapter 62U."

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

The report was adopted.

Abeler from the Committee on Health and Human Services Finance to which was referred:

H. F. No. 262, A bill for an act relating to human services; creating a certification for community paramedics; requiring medical assistance coverage of certain community paramedic services; requiring a report; amending Minnesota Statutes 2010, sections 144E.001, by adding a subdivision; 144E.28, by adding a subdivision; 256B.0625, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 144E.001, is amended by adding a subdivision to read:

Subd. 5f. **Emergency medical technician-community paramedic.** "Emergency medical technician-community paramedic," “EMT-CP,” or "community paramedic" means a person who is certified as an EMT-P and who meets the requirements for additional certification as an EMT-CP as specified in section 144E.28, subdivision 9.

**EFFECTIVE DATE.** This section is effective July 1, 2011."
Sec. 2. Minnesota Statutes 2010, section 144E.28, is amended by adding a subdivision to read:

Subd. 9. Community paramedics. (a) To be eligible for certification by the board as an EMT-CP, an individual shall:

(1) be currently certified as an EMT-P, and have two years of full-time service as an EMT-P, or the part-time equivalent;

(2) successfully complete a community paramedic training program from a college or university that has been approved by the board or accredited by a board-approved national accreditation organization. The training program must include clinical experience that is provided under the supervision of an ambulance medical director, advanced practice registered nurse, physician assistant, or public health nurse operating under the direct authority of a local unit of government; and

(3) complete a board-approved application form.

(b) A community paramedic must practice in accordance with protocols and supervisory standards established by an ambulance service medical director in accordance with section 144E.265. A community paramedic may provide services as directed by a patient care plan if the plan has been developed by the patient's primary physician, an advanced practice registered nurse, or a physician assistant, in conjunction with the ambulance service medical director and relevant local health care providers. The patient care plan must ensure that the services provided by the community paramedic are consistent with the services offered by the patient's health care home, if one exists, that the patient receives the necessary services, and that there is no duplication of services to the patient.

(c) A community paramedic is subject to all certification, disciplinary, complaint, and other regulatory requirements that apply to EMT-Ps under this chapter.

EFFECTIVE DATE. This section is effective July 1, 2011.

Sec. 3. COMMUNITY PARAMEDIC SERVICES COVERED UNDER THE MEDICAL ASSISTANCE PROGRAM.

(a) The commissioner of human services, in consultation with representatives of emergency medical service providers, physicians, public health nurses, and local public health agencies, shall determine specified services and payment rates for these services to be performed by community paramedics certified under Minnesota Statutes, section 144E.28, subdivision 9, to be covered by medical assistance under Minnesota Statutes, section 256B.0625. Services may include interventions intended to prevent avoidable ambulance transportation or hospital emergency department use, including the performance of minor medical procedures, initial assessments within the paramedic scope of practice, care coordination, diagnosis related to patient education, and the monitoring of chronic disease management directives in accordance with educational preparation.

(b) Payment for services provided by a community paramedic must be ordered by an ambulance medical director, must be part of a patient care plan that has been developed in coordination with the patient's primary physician and relevant local health care providers, and must be billed by an eligible medical assistance enrolled provider that employs or contracts with the community paramedic. In determining the community paramedic services to include under medical assistance coverage, the commissioner shall consider the potential of hospital admittance and emergency room utilization reductions as well as increased access to quality care in rural communities.

(c) The commissioner shall submit the list of services to be covered by medical assistance to the chairs and ranking minority members of the senate Health and Human Services Budget and Policy Committee and the house of representatives Health and Human Services Finance Committee by January 15, 2012. These services shall not be covered by medical assistance until further legislative action is taken.
Sec. 4. EVALUATION OF COMMUNITY PARAMEDIC SERVICES.

The commissioner of human services shall evaluate the effect of medical assistance and MinnesotaCare coverage of community paramedic services on the cost and quality of care under those programs and the coordination of these services with health care home services. The commissioner shall present findings to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services by December 1, 2014. The commissioner shall require medical assistance and MinnesotaCare enrolled providers that employ or contract with community paramedics to provide to the commissioner, in the form and manner specified by the commissioner, the utilization, cost, and quality data necessary to conduct this evaluation.

Delete the title and insert:

"A bill for an act relating to human services; creating a certification for community paramedics; requiring the commissioner to determine medical assistance-covered services performed by community paramedics; requiring the commissioner to evaluate the effect of coverage of services by a community paramedic; amending Minnesota Statutes 2010, sections 144E.001, by adding a subdivision; 144E.28, by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

Erickson from the Committee on Education Reform to which was referred:

H. F. No. 360, A bill for an act relating to education finance; clarifying that a school district is not required to provide educational services to students without disabilities from other states; amending Minnesota Statutes 2010, section 125A.515, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 11, delete "individual" and insert "individualized" and delete "plan" and insert "program"

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

The report was adopted.

Gottwalt from the Committee on Health and Human Services Reform to which was referred:

H. F. No. 447, A bill for an act relating to vulnerable adults; modifying provisions governing investigations, reviews, and hearings; making the crime of criminal abuse of a vulnerable adult a registrable offense under the predatory offender registration law; changing terminology; increasing the criminal penalty for assaulting a vulnerable adult; providing criminal penalties; amending Minnesota Statutes 2010, sections 144.7065, subdivision 10; 243.166, subdivision 1b; 245C.28, by adding a subdivision; 256.021; 256.045, subdivision 4; 518.165, subdivision 5; 524.5-118, subdivision 2; 609.2231, by adding a subdivision; 609.224, subdivision 2; 626.557, subdivisions 9, 9a, 9c, 9d, 12b; 626.5571, subdivision 1; 626.5572, subdivision 13.

Reported the same back with the following amendments:
Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, 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 a lead investigative agency under section 626.5572, subdivision 13, the commissioner of health, nor or the director of the Office of Health Facility Complaints is not 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. 2. Minnesota Statutes 2010, section 243.166, subdivision 1b, is amended to read:

Subd. 1b. Registration required. (a) A person shall register under this section if:
(1) the person was charged with or petitioned for a felony violation of or attempt to violate, or aiding, abetting, or conspiracy to commit, any of the following, and convicted of or adjudicated delinquent for that offense or another offense arising out of the same set of circumstances:

   (i) murder under section 609.185, paragraph (a), clause (2);

   (ii) kidnapping under section 609.25;

   (iii) criminal sexual conduct under section 609.342; 609.343; 609.344; 609.345; 609.3451, subdivision 3; or 609.3453; or

   (iv) indecent exposure under section 617.23, subdivision 3;

   (2) the person was charged with or petitioned for a violation of, or attempt to violate, or aiding, abetting, or conspiring to commit criminal abuse in violation of section 609.2325, subdivision 1, paragraph (b), false imprisonment in violation of section 609.255, subdivision 2; soliciting a minor to engage in prostitution in violation of section 609.322 or 609.324; soliciting a minor to engage in sexual conduct in violation of section 609.352; using a minor in a sexual performance in violation of section 617.246; or possessing pornographic work involving a minor in violation of section 617.247, and convicted of or adjudicated delinquent for that offense or another offense arising out of the same set of circumstances;

   (3) the person was sentenced as a patterned sex offender under section 609.3455, subdivision 3a; or

   (4) the person was convicted of or adjudicated delinquent for, including pursuant to a court martial, violating a law of the United States, including the Uniform Code of Military Justice, similar to the offenses described in clause (1), (2), or (3).

(b) A person also shall register under this section if:

   (1) the person was convicted of or adjudicated delinquent in another state for an offense that would be a violation of a law described in paragraph (a) if committed in this state;

   (2) the person enters this state to reside, work, or attend school, or enters this state and remains for 14 days or longer; and

   (3) ten years have not elapsed since the person was released from confinement or, if the person was not confined, since the person was convicted of or adjudicated delinquent for the offense that triggers registration, unless the person is subject to a longer registration period under the laws of another state in which the person has been convicted or adjudicated, or is subject to lifetime registration.

If a person described in this paragraph is subject to a longer registration period in another state or is subject to lifetime registration, the person shall register for that time period regardless of when the person was released from confinement, convicted, or adjudicated delinquent.

(c) A person also shall register under this section if the person was committed pursuant to a court commitment order under section 253B.185 or Minnesota Statutes 1992, section 526.10, or a similar law of another state or the United States, regardless of whether the person was convicted of any offense.

(d) A person also shall register under this section if:
(1) the person was charged with or petitioned for a felony violation or attempt to violate any of the offenses listed in paragraph (a), clause (1), or a similar law of another state or the United States, or the person was charged with or petitioned for a violation of any of the offenses listed in paragraph (a), clause (2), or a similar law of another state or the United States;

(2) the person was found not guilty by reason of mental illness or mental deficiency after a trial for that offense, or found guilty but mentally ill after a trial for that offense, in states with a guilty but mentally ill verdict; and

(3) the person was committed pursuant to a court commitment order under section 253B.18 or a similar law of another state or the United States.

EFFECTIVE DATE. This section is effective August 1, 2011, and applies to crimes committed on or after that date.

Sec. 3. Minnesota Statutes 2010, section 256.021, is amended to read:

256.021 VULNERABLE ADULT MALTREATMENT REVIEW PANEL.

Subdivision 1. Creation. (a) The commissioner of human services shall establish a review panel for purposes of reviewing lead investigative agency determinations regarding maltreatment of a vulnerable adult in response to requests received under section 626.557, subdivision 9d, paragraph (b). The panel shall hold quarterly meetings for purposes of conducting reviews under this section.

(b) The review panel consists of:

(1) the commissioners of health and human services or their designees;

(2) the ombudsman for older Minnesotans long-term care and ombudsman for mental health and developmental disabilities, or their designees; and

(3) a member of the board on aging, appointed by the board; and

(4) a representative from the county human services administrators appointed by the commissioner of human services or the administrator's designee.

Subd. 2. Review procedure. (a) If a vulnerable adult or an interested person acting on behalf of the vulnerable adult requests a review under this section, the panel shall review the request at its next quarterly meeting. If the next quarterly meeting is within ten days of the panel's receipt of the request for review, the review may be delayed until the next subsequent meeting. The panel shall review the request and the investigation memorandum and may review any other data on the investigation maintained by the lead investigative agency that are pertinent and necessary to its review of the final disposition. If more than one person requests a review under this section with respect to the same final disposition, the review panel shall combine the requests into one review. The panel shall submit its written request for the case file and other documentation relevant to the review to the supervisor of the investigator conducting the investigation under review.

(b) Within 30 days of the review under this section, the panel shall notify the director or manager of the lead investigative agency and the vulnerable adult or interested person who requested the review as to whether the panel agrees concurs with the final disposition or whether the lead investigative agency must reconsider the final disposition. If the panel determines that the lead investigative agency must reconsider the final disposition, the panel must make specific investigative recommendations to the director or manager of the lead investigative agency. The recommendation must include an explanation of the factors that form the basis of the recommendation to reconsider the final disposition and must specifically identify the disputed facts, the disputed application of
maltreatment definitions, the disputed application of responsibility for maltreatment, and the disputed weighing of evidence, whichever apply. Within 30 days the lead investigative agency shall conduct a review and report back to the panel with its determination and the specific rationale for its final disposition. At a minimum, the specific rationale must include a detailed response to each of the factors identified by the panel that formed the basis for the recommendations of the panel.

(c) Upon receiving the report of reconsideration from the lead investigative agency, the panel shall communicate the decision in writing to the vulnerable adult or interested person acting on behalf of the vulnerable adult who requested the review. The panel shall include the specific rationale provided by the lead investigative agency as part of the communication.

Subd. 3. **Report.** By January 15 of each year, the panel shall submit a report to the committees of the legislature with jurisdiction over section 626.557 regarding the number of requests for review it receives under this section, the number of cases where the panel requires the lead investigative agency to reconsider its final disposition, and the number of cases where the final disposition is changed, and any recommendations to improve the review or investigative process.

Subd. 4. **Data.** Data of the review panel created or received as part of a review under this section are private data on individuals as defined in section 13.02.

Sec. 4. Minnesota Statutes 2010, section 256.045, subdivision 4, is amended to read:

Subd. 4. **Conduct of hearings.** (a) All hearings held pursuant to subdivision 3, 3a, 3b, or 4a shall be conducted according to the provisions of the federal Social Security Act and the regulations implemented in accordance with that act to enable this state to qualify for federal grants-in-aid, and according to the rules and written policies of the commissioner of human services. County agencies shall install equipment necessary to conduct telephone hearings. A state human services referee may schedule a telephone conference hearing when the distance or time required to travel to the county agency offices will cause a delay in the issuance of an order, or to promote efficiency, or at the mutual request of the parties. Hearings may be conducted by telephone conferences unless the applicant, recipient, former recipient, person, or facility contesting maltreatment objects. The hearing shall not be held earlier than five days after filing of the required notice with the county or state agency. The state human services referee shall notify all interested persons of the time, date, and location of the hearing at least five days before the date of the hearing. Interested persons may be represented by legal counsel or other representative of their choice, including a provider of therapy services, at the hearing and may appear personally, testify and offer evidence, and examine and cross-examine witnesses. The applicant, recipient, former recipient, person, or facility contesting maltreatment shall have the opportunity to examine the contents of the case file and all documents and records to be used by the county or state agency at the hearing at a reasonable time before the date of the hearing and during the hearing. In hearings under subdivision 3, paragraph (a), clauses (4), (8), and (9), either party may subpoena the private data relating to the investigation prepared by the agency under section 626.556 or 626.557 that is not otherwise accessible under section 13.04, provided the identity of the reporter may not be disclosed.

(b) The private data obtained by subpoena in a hearing under subdivision 3, paragraph (a), clause (4), (8), or (9), must be subject to a protective order which prohibits its disclosure for any other purpose outside the hearing provided for in this section without prior order of the district court. Disclosure without court order is punishable by a sentence of not more than 90 days imprisonment or a fine of not more than $1,000, or both. These restrictions on the use of private data do not prohibit access to the data under section 13.03, subdivision 6. Except for appeals under subdivision 3, paragraph (a), clauses (4), (5), (8), and (9), upon request, the county agency shall provide reimbursement for transportation, child care, photocopying, medical assessment, witness fee, and other necessary and reasonable costs incurred by the applicant, recipient, or former recipient in connection with the appeal. All evidence, except that privileged by law, commonly accepted by reasonable people in the conduct of their affairs as having probative value with respect to the issues shall be submitted at the hearing and such hearing shall not be "a
contested case” within the meaning of section 14.02, subdivision 3. The agency must present its evidence prior to or at the hearing, and may not submit evidence after the hearing except by agreement of the parties at the hearing, provided the petitioner has the opportunity to respond.

(c) In hearings under subdivision 3, paragraph (a), clauses (4), (8), and (9), involving determinations of maltreatment or disqualification made by more than one county agency, by a county agency and a state agency, or by more than one state agency, the hearings may be consolidated into a single fair hearing upon the consent of all parties and the state human services referee.

(d) For hearings under subdivision 3, paragraph (a), clause (4) or (10), involving a vulnerable adult, the human services referee shall notify the vulnerable adult who is the subject of the maltreatment determination and, if known, a guardian of the vulnerable adult appointed under section 524.5-310, or a health care agent designated by the vulnerable adult in a health care directive that is currently effective under section 145C.06 and whose authority to make health care decisions is not suspended under section 524.5-310, of the hearing. The notice must be sent by certified mail and inform the vulnerable adult of the right to file a signed written statement in the proceedings. A guardian or health care agent who prepares or files a written statement for the vulnerable adult must indicate in the statement that the person is the vulnerable adult's guardian or health care agent and sign the statement in that capacity. The vulnerable adult, the guardian, or the health care agent may file a written statement with the human services referee hearing the case no later than five business days before commencement of the hearing. The human services referee shall include the written statement in the hearing record and consider the statement in deciding the appeal. This subdivision does not limit, prevent, or excuse the vulnerable adult from being called as a witness testifying at the hearing or grant the vulnerable adult, the guardian, or health care agent a right to participate in the proceedings or appeal the human services referee's decision in the case. The lead investigative agency must consider including the vulnerable adult victim of maltreatment as a witness in the hearing. If the lead investigative agency determines that participation in the hearing would endanger the well-being of the vulnerable adult or not be in the best interests of the vulnerable adult, the lead investigative agency shall inform the human services referee of the basis for this determination, which must be included in the final order. If the human services referee is not reasonably able to determine the address of the vulnerable adult, the guardian, or the health care agent, the human services referee is not required to send a hearing notice under this subdivision.

Sec. 5. Minnesota Statutes 2010, section 518.165, subdivision 5, is amended to read:

Subd. 5. Procedure, criminal history, and maltreatment records background study. (a) When the court requests a background study under subdivision 4, paragraph (a), the request shall be submitted to the Department of Human Services through the department's electronic online background study system.

(b) When the court requests a search of the National Criminal Records Repository, the court must provide a set of classifiable fingerprints of the subject of the study on a fingerprint card provided by the commissioner of human services.

(c) The commissioner of human services shall provide the court with criminal history data as defined in section 13.87 from the Bureau of Criminal Apprehension in the Department of Public Safety, other criminal history data held by the commissioner of human services, and data regarding substantiated maltreatment of a minor under section 626.556, and substantiated maltreatment of a vulnerable adult under section 626.557, within 15 working days of receipt of a request. If the subject of the study has been determined by the Department of Human Services or the Department of Health to be the perpetrator of substantiated maltreatment of a minor or vulnerable adult in a licensed facility, the response must include a copy of the public portion of the investigation memorandum under section 626.556, subdivision 10f, or the public portion of the investigation memorandum under section 626.557, subdivision 12b. When the background study shows that the subject has been determined by a county adult protection or child protection agency to have been responsible for maltreatment, the court shall be informed of the county, the date of the finding, and the nature of the maltreatment that was substantiated. The commissioner shall provide the court
with information from the National Criminal Records Repository within three working days of the commissioner's receipt of the data. When the commissioner finds no criminal history or substantiated maltreatment on a background study subject, the commissioner shall make these results available to the court electronically through the secure online background study system.

(d) Notwithstanding section 626.556, subdivision 10f, or 626.557, subdivision 12b, if the commissioner or county lead agency or lead investigative agency has information that a person on whom a background study was previously done under this section has been determined to be a perpetrator of maltreatment of a minor or vulnerable adult, the commissioner or the county may provide this information to the court that requested the background study.

Sec. 6. Minnesota Statutes 2010, section 524.5-118, subdivision 2, is amended to read:

Subd. 2. Procedure; criminal history and maltreatment records background check. (a) The court shall request the commissioner of human services to complete a background study under section 245C.32. The request must be accompanied by the applicable fee and the signed consent of the subject of the study authorizing the release of the data obtained to the court. If the court is requesting a search of the National Criminal Records Repository, the request must be accompanied by a set of classifiable fingerprints of the subject of the study. The fingerprints must be recorded on a fingerprint card provided by the commissioner of human services.

(b) The commissioner of human services shall provide the court with criminal history data as defined in section 13.87 from the Bureau of Criminal Apprehension in the Department of Public Safety, other criminal history data held by the commissioner of human services, and data regarding substantiated maltreatment of vulnerable adults under section 626.557 and substantiated maltreatment of minors under section 626.556 within 15 working days of receipt of a request. If the subject of the study has been the perpetrator of substantiated maltreatment of a vulnerable adult or minor, the response must include a copy of the public portion of the investigation memorandum under section 626.557, subdivision 12b, or the public portion of the investigation memorandum under section 626.556, subdivision 10f. If the court did not request a search of the National Criminal Records Repository and information from the Bureau of Criminal Apprehension indicates that the subject is a multistate offender or that multistate offender status is undetermined, the response must include this information. The commissioner shall provide the court with information from the National Criminal Records Repository within three working days of the commissioner's receipt of the data.

(c) Notwithstanding section 626.557, subdivision 12b, or 626.556, subdivision 10f, if the commissioner of human services or a county lead agency or lead investigative agency has information that a person on whom a background study was previously done under this section has been determined to be a perpetrator of maltreatment of a vulnerable adult or minor, the commissioner or the county may provide this information to the court that requested the background study. The commissioner may also provide the court with additional criminal history or substantiated maltreatment information that becomes available after the background study is done.

Sec. 7. Minnesota Statutes 2010, section 609.2231, is amended by adding a subdivision to read:

Subd. 8. Vulnerable adults. (a) As used in this subdivision, "vulnerable adult" has the meaning given in section 609.232, subdivision 11.

(b) Whoever assaults and inflicts demonstrable bodily harm on a vulnerable adult, knowing or having reason to know that the person is a vulnerable adult, is guilty of a gross misdemeanor.

EFFECTIVE DATE. This section is effective August 1, 2011, and applies to crimes committed on or after that date.
Sec. 8. Minnesota Statutes 2010, section 609.224, subdivision 2, is amended to read:

Subd. 2. **Gross misdemeanor.** (a) Whoever violates the provisions of subdivision 1 against the same victim within ten years of a previous qualified domestic violence-related offense conviction or adjudication of delinquency is guilty of a gross misdemeanor and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than $3,000, or both.

(b) Whoever violates the provisions of subdivision 1 within three years of a previous qualified domestic violence-related offense conviction or adjudication of delinquency is guilty of a gross misdemeanor and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than $3,000, or both.

(c) A caregiver, as defined in section 609.232, who is an individual and who violates the provisions of subdivision 1 against a vulnerable adult, as defined in section 609.232, is guilty of a gross misdemeanor and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than $3,000, or both.

**EFFECTIVE DATE.** This section is effective August 1, 2011, and applies to crimes committed on or after that date.

Sec. 9. Minnesota Statutes 2010, section 626.557, subdivision 9, is amended to read:

Subd. 9. **Common entry point designation.** (a) Each county board shall designate a common entry point for reports of suspected maltreatment. Two or more county boards may jointly designate a single common entry point. The common entry point is the unit responsible for receiving the report of suspected maltreatment under this section.

(b) The common entry point must be available 24 hours per day to take calls from reporters of suspected maltreatment. The common entry point shall use a standard intake form that includes:

1. the time and date of the report;
2. the name, address, and telephone number of the person reporting;
3. the time, date, and location of the incident;
4. the names of the persons involved, including but not limited to, perpetrators, alleged victims, and witnesses;
5. whether there was a risk of imminent danger to the alleged victim;
6. a description of the suspected maltreatment;
7. the disability, if any, of the alleged victim;
8. the relationship of the alleged perpetrator to the alleged victim;
9. whether a facility was involved and, if so, which agency licenses the facility;
10. any action taken by the common entry point;
11. whether law enforcement has been notified;
12. whether the reporter wishes to receive notification of the initial and final reports; and
13. if the report is from a facility with an internal reporting procedure, the name, mailing address, and telephone number of the person who initiated the report internally.
(c) The common entry point is not required to complete each item on the form prior to dispatching the report to the appropriate lead investigative agency.

(d) The common entry point shall immediately report to a law enforcement agency any incident in which there is reason to believe a crime has been committed.

(e) If a report is initially made to a law enforcement agency or a lead investigative agency, those agencies shall take the report on the appropriate common entry point intake forms and immediately forward a copy to the common entry point.

(f) The common entry point staff must receive training on how to screen and dispatch reports efficiently and in accordance with this section.

(g) When a centralized database is available, the common entry point has access to the centralized database and must log the reports into the database.

Sec. 10. Minnesota Statutes 2010, section 626.557, subdivision 9a, is amended to read:

Subd. 9a. Evaluation and referral of reports made to common entry point unit. The common entry point must screen the reports of alleged or suspected maltreatment for immediate risk and make all necessary referrals as follows:

(1) if the common entry point determines that there is an immediate need for adult protective services, the common entry point agency shall immediately notify the appropriate county agency;

(2) if the report contains suspected criminal activity against a vulnerable adult, the common entry point shall immediately notify the appropriate law enforcement agency;

(3) the common entry point shall refer all reports of alleged or suspected maltreatment to the appropriate lead investigative agency as soon as possible, but in any event no longer than two working days; and

(4) if the report contains information about a suspicious death, the common entry point shall immediately notify the appropriate law enforcement agencies, the local medical examiner, and the ombudsman for mental health and developmental disabilities established under section 245.92. Law enforcement agencies shall coordinate with the local medical examiner and the ombudsman as provided by law.

Sec. 11. Minnesota Statutes 2010, section 626.557, subdivision 9c, is amended to read:

Subd. 9c. Lead investigative agency; notifications, dispositions, determinations. (a) Upon request of the reporter, the lead investigative agency shall notify the reporter that it has received the report, and provide information on the initial disposition of the report within five business days of receipt of the report, provided that the notification will not endanger the vulnerable adult or hamper the investigation.

(b) Upon conclusion of every investigation it conducts, the lead investigative agency shall make a final disposition as defined in section 626.5572, subdivision 8.

(c) When determining whether the facility or individual is the responsible party for substantiated maltreatment or whether both the facility and the individual are responsible for substantiated maltreatment, the lead investigative agency shall consider at least the following mitigating factors:
(1) whether the actions of the facility or the individual caregivers were in accordance with, and followed the terms of, an erroneous physician order, prescription, resident care plan, or directive. This is not a mitigating factor when the facility or caregiver is responsible for the issuance of the erroneous order, prescription, plan, or directive or knows or should have known of the errors and took no reasonable measures to correct the defect before administering care;

(2) the comparative responsibility between the facility, other caregivers, and requirements placed upon the employee, including but not limited to, the facility’s compliance with related regulatory standards and factors such as the adequacy of facility policies and procedures, the adequacy of facility training, the adequacy of an individual’s participation in the training, the adequacy of caregiver supervision, the adequacy of facility staffing levels, and a consideration of the scope of the individual employee's authority; and

(3) whether the facility or individual followed professional standards in exercising professional judgment.

(d) When substantiated maltreatment is determined to have been committed by an individual who is also the facility license holder, both the individual and the facility must be determined responsible for the maltreatment, and both the background study disqualification standards under section 245C.15, subdivision 4, and the licensing actions under section 245A.06 or 245A.07 apply.

(e) The lead investigative agency shall complete its final disposition within 60 calendar days. If the lead investigative agency is unable to complete its final disposition within 60 calendar days, the lead investigative agency shall notify the following persons provided that the notification will not endanger the vulnerable adult or hamper the investigation: (1) the vulnerable adult or the vulnerable adult’s legal guardian or health care agent, when known, if the lead investigative agency knows them to be aware of the investigation; and (2) the facility, where applicable. The notice shall contain the reason for the delay and the projected completion date. If the lead investigative agency is unable to complete its final disposition by a subsequent projected completion date, the lead investigative agency shall again notify the vulnerable adult or the vulnerable adult's legal guardian or health care agent, when known if the lead investigative agency knows them to be aware of the investigation, and the facility, where applicable, of the reason for the delay and the revised projected completion date provided that the notification will not endanger the vulnerable adult or hamper the investigation. The lead investigative agency must notify the health care agent of the vulnerable adult only if the health care agent’s authority to make health care decisions for the vulnerable adult is currently effective under section 145C.06 and not suspended under section 524.5-310 and the investigation relates to a duty assigned to the health care agent by the principal. A lead investigative agency’s inability to complete the final disposition within 60 calendar days or by any projected completion date does not invalidate the final disposition.

(f) Within ten calendar days of completing the final disposition, the lead investigative agency shall provide a copy of the public investigation memorandum under subdivision 12b, paragraph (b), clause (1), when required to be completed under this section, to the following persons: (1) the vulnerable adult, or the vulnerable adult’s legal guardian or health care agent, if known, unless the lead investigative agency knows that the notification would endanger the well-being of the vulnerable adult; (2) the reporter, if the reporter requested notification when making the report, provided this notification would not endanger the well-being of the vulnerable adult; (3) the alleged perpetrator, if known; (4) the facility; and (5) the ombudsman for long-term care, or the ombudsman for mental health and developmental disabilities, as appropriate.

(g) If, as a result of a reconsideration, review, or hearing, the lead investigative agency changes the final disposition, or if a final disposition is changed on appeal, the lead investigative agency shall notify the parties specified in paragraph (f).

(h) The lead investigative agency shall notify the vulnerable adult who is the subject of the report or the vulnerable adult’s legal guardian or health care agent, if known, and any person or facility determined to have maltreated a vulnerable adult, of their appeal or review rights under this section or section 256.021.
(d) (i) The lead investigative agency shall routinely provide investigation memoranda for substantiated reports to the appropriate licensing boards. These reports must include the names of substantiated perpetrators. The lead investigative agency may not provide investigative memoranda for inconclusive or false reports to the appropriate licensing boards unless the lead investigative agency's investigation gives reason to believe that there may have been a violation of the applicable professional practice laws. If the investigation memorandum is provided to a licensing board, the subject of the investigation memorandum shall be notified and receive a summary of the investigative findings.

(ii) (i) In order to avoid duplication, licensing boards shall consider the findings of the lead investigative agency in their investigations if they choose to investigate. This does not preclude licensing boards from considering other information.

(ii) (k) The lead investigative agency must provide to the commissioner of human services its final dispositions, including the names of all substantiated perpetrators. The commissioner of human services shall establish records to retain the names of substantiated perpetrators.

Sec. 12. Minnesota Statutes 2010, section 626.557, subdivision 9d, is amended to read:

Subd. 9d. Administrative reconsideration; review panel. (a) Except as provided under paragraph (e), any individual or facility which a lead investigative agency determines has maltreated a vulnerable adult, or the vulnerable adult or an interested person acting on behalf of the vulnerable adult, regardless of the lead investigative agency's determination, who contests the lead investigative agency's final disposition of an allegation of maltreatment, may request the lead investigative agency to reconsider its final disposition. The request for reconsideration must be submitted in writing to the lead investigative agency within 15 calendar days after receipt of notice of final disposition or, if the request is made by an interested person who is not entitled to notice, within 15 days after receipt of the notice by the vulnerable adult or the vulnerable adult's legal guardian or health care agent. If mailed, the request for reconsideration must be postmarked and sent to the lead investigative agency within 15 calendar days of the individual's or facility's receipt of the final disposition. If the request for reconsideration is made by personal service, it must be received by the lead investigative agency within 15 calendar days of the individual's or facility's receipt of the final disposition. An individual who was determined to have maltreated a vulnerable adult under this section and who was disqualified on the basis of serious or recurring maltreatment under sections 245C.14 and 245C.15, may request reconsideration of the maltreatment determination and the disqualification. The request for reconsideration of the maltreatment determination and the disqualification must be submitted in writing within 30 calendar days of the individual's receipt of the notice of disqualification under sections 245C.16 and 245C.17. If mailed, the request for reconsideration of the maltreatment determination and the disqualification must be postmarked and sent to the lead investigative agency within 30 calendar days of the individual's receipt of the notice of disqualification. If the request for reconsideration is made by personal service, it must be received by the lead investigative agency within 30 calendar days after the individual's receipt of the notice of disqualification.

(b) Except as provided under paragraphs (e) and (f), if the lead investigative agency denies the request or fails to act upon the request within 15 working days after receiving the request for reconsideration, the person or facility entitled to a fair hearing under section 256.045, may submit to the commissioner of human services a written request for a hearing under that statute. The vulnerable adult, or an interested person acting on behalf of the vulnerable adult, may request a review by the Vulnerable Adult Maltreatment Review Panel under section 256.021 if the lead investigative agency denies the request or fails to act upon the request, or if the vulnerable adult or interested person contests a reconsidered disposition. The lead investigative agency shall notify persons who request reconsideration of their rights under this paragraph. The request must be submitted in writing to the review panel and a copy sent to the lead investigative agency within 30 calendar days of receipt of notice of a denial of a request for reconsideration or of a reconsidered disposition. The request must specifically identify the aspects of the lead investigative agency determination with which the person is dissatisfied.
(c) If, as a result of a reconsideration or review, the lead investigative agency changes the final disposition, it shall notify the parties specified in subdivision 9c, paragraph (d) (f).

(d) For purposes of this subdivision, "interested person acting on behalf of the vulnerable adult" means a person designated in writing by the vulnerable adult to act on behalf of the vulnerable adult, or a legal guardian or conservator or other legal representative, a proxy or health care agent appointed under chapter 145B or 145C, or an individual who is related to the vulnerable adult, as defined in section 245A.02, subdivision 13.

(e) If an individual was disqualified under sections 245C.14 and 245C.15, on the basis of a determination of maltreatment, which was serious or recurring, and the individual has requested reconsideration of the maltreatment determination under paragraph (a) and reconsideration of the disqualification under sections 245C.21 to 245C.27, reconsideration of the maltreatment determination and requested reconsideration of the disqualification shall be consolidated into a single reconsideration. If reconsideration of the maltreatment determination is denied and the individual remains disqualified following a reconsideration decision, the individual may request a fair hearing under section 256.045. If an individual requests a fair hearing on the maltreatment determination and the disqualification, the scope of the fair hearing shall include both the maltreatment determination and the disqualification.

(f) If a maltreatment determination or a disqualification based on serious or recurring maltreatment is the basis for a denial of a license under section 245A.05 or a licensing sanction under section 245A.07, the license holder has the right to a contested case hearing under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. As provided for under section 245A.08, the scope of the contested case hearing must include the maltreatment determination, disqualification, and licensing sanction or denial of a license. In such cases, a fair hearing must not be conducted under sections 256.045. Except for family child care and child foster care, reconsideration of a maltreatment determination under this subdivision, and reconsideration of a disqualification under section 245C.22, must not be conducted when:

1. a denial of a license under section 245A.05, or a licensing sanction under section 245A.07, is based on a determination that the license holder is responsible for maltreatment or the disqualification of a license holder based on serious or recurring maltreatment;

2. the denial of a license or licensing sanction is issued at the same time as the maltreatment determination or disqualification; and

3. the license holder appeals the maltreatment determination or disqualification, and denial of a license or licensing sanction.

Notwithstanding clauses (1) to (3), if the license holder appeals the maltreatment determination or disqualification, but does not appeal the denial of a license or a licensing sanction, reconsideration of the maltreatment determination shall be conducted under sections 626.556, subdivision 10i, and 626.557, subdivision 9d, and reconsideration of the disqualification shall be conducted under section 245C.22. In such cases, a fair hearing shall also be conducted as provided under sections 245C.27, 626.556, subdivision 10i, and 626.557, subdivision 9d.

If the disqualified subject is an individual other than the license holder and upon whom a background study must be conducted under chapter 245C, the hearings of all parties may be consolidated into a single contested case hearing upon consent of all parties and the administrative law judge.

(g) Until August 1, 2002, an individual or facility that was determined by the commissioner of human services or the commissioner of health to be responsible for neglect under section 626.5572, subdivision 17, after October 1, 1995, and before August 1, 2001, that believes that the finding of neglect does not meet an amended definition of neglect may request a reconsideration of the determination of neglect. The commissioner of human services or the commissioner of health shall mail a notice to the last known address of individuals who are eligible to seek this
reconsideration. The request for reconsideration must state how the established findings no longer meet the elements of the definition of neglect. The commissioner shall review the request for reconsideration and make a determination within 15 calendar days. The commissioner's decision on this reconsideration is the final agency action.

(1) For purposes of compliance with the data destruction schedule under subdivision 12b, paragraph (d), when a finding of substantiated maltreatment has been changed as a result of a reconsideration under this paragraph, the date of the original finding of a substantiated maltreatment must be used to calculate the destruction date.

(2) For purposes of any background studies under chapter 245C, when a determination of substantiated maltreatment has been changed as a result of a reconsideration under this paragraph, any prior disqualification of the individual under chapter 245C that was based on this determination of maltreatment shall be rescinded, and for future background studies under chapter 245C the commissioner must not use the previous determination of substantiated maltreatment as a basis for disqualification or as a basis for referring the individual's maltreatment history to a health-related licensing board under section 245C.31.

Sec. 13. Minnesota Statutes 2010, section 626.557, subdivision 12b, is amended to read:

Subd. 12b. Data management. (a) In performing any of the duties of this section as a lead investigative agency, the county social service agency shall maintain appropriate records. Data collected by the county social service agency under this section are welfare data under section 13.46. Notwithstanding section 13.46, subdivision 1, paragraph (a), data under this paragraph that are inactive investigative data on an individual who is a vendor of services are private data on individuals, as defined in section 13.02. The identity of the reporter may only be disclosed as provided in paragraph (c).

Data maintained by the common entry point are confidential data on individuals or protected nonpublic data as defined in section 13.02. Notwithstanding section 138.163, the common entry point shall maintain data for three calendar years after date of receipt and then destroy the data unless otherwise directed by federal requirements.

(b) The commissioners of health and human services shall prepare an investigation memorandum for each report alleging maltreatment investigated under this section. County social service agencies must maintain private data on individuals but are not required to prepare an investigation memorandum. During an investigation by the commissioner of health or the commissioner of human services, data collected under this section are confidential data on individuals or protected nonpublic data as defined in section 13.02. Upon completion of the investigation, the data are classified as provided in clauses (1) to (3) and paragraph (c).

(1) The investigation memorandum must contain the following data, which are public:

(i) the name of the facility investigated;

(ii) a statement of the nature of the alleged maltreatment;

(iii) pertinent information obtained from medical or other records reviewed;

(iv) the identity of the investigator;

(v) a summary of the investigation's findings;

(vi) statement of whether the report was found to be substantiated, inconclusive, false, or that no determination will be made;

(vii) a statement of any action taken by the facility;
(viii) a statement of any action taken by the lead investigative agency; and

(ix) when a lead investigative agency’s determination has substantiated maltreatment, a statement of whether an individual, individuals, or a facility were responsible for the substantiated maltreatment, if known.

The investigation memorandum must be written in a manner which protects the identity of the reporter and of the vulnerable adult and may not contain the names or, to the extent possible, data on individuals or private data listed in clause (2).

(2) Data on individuals collected and maintained in the investigation memorandum are private data, including:

(i) the name of the vulnerable adult;

(ii) the identity of the individual alleged to be the perpetrator;

(iii) the identity of the individual substantiated as the perpetrator; and

(iv) the identity of all individuals interviewed as part of the investigation.

(3) Other data on individuals maintained as part of an investigation under this section are private data on individuals upon completion of the investigation.

(c) After the assessment or investigation is completed, the name of the reporter must be confidential. The subject of the report may compel disclosure of the name of the reporter only with the consent of the reporter or upon a written finding by a court that the report was false and there is evidence that the report was made in bad faith. This subdivision does not alter disclosure responsibilities or obligations under the Rules of Criminal Procedure, except that where the identity of the reporter is relevant to a criminal prosecution, the district court shall do an in-camera review prior to determining whether to order disclosure of the identity of the reporter.

(d) Notwithstanding section 138.163, data maintained under this section by the commissioners of health and human services must be maintained under the following schedule and then destroyed unless otherwise directed by federal requirements:

(1) data from reports determined to be false, maintained for three years after the finding was made;

(2) data from reports determined to be inconclusive, maintained for four years after the finding was made;

(3) data from reports determined to be substantiated, maintained for seven years after the finding was made; and

(4) data from reports which were not investigated by a lead investigative agency and for which there is no final disposition, maintained for three years from the date of the report.

(e) The commissioners of health and human services shall each annually report to the legislature and the governor on the number and type of reports of alleged maltreatment involving licensed facilities reported under this section, the number of those requiring investigation under this section, and the resolution of those investigations. The report shall identify:

(1) whether and where backlogs of cases result in a failure to conform with statutory time frames;

(2) where adequate coverage requires additional appropriations and staffing; and
(3) any other trends that affect the safety of vulnerable adults.

(f) Each lead investigative agency must have a record retention policy.

(g) Lead investigative agencies, prosecuting authorities, and law enforcement agencies may exchange not public data, as defined in section 13.02, if the agency or authority requesting the data determines that the data are pertinent and necessary to the requesting agency in initiating, furthering, or completing an investigation under this section. Data collected under this section must be made available to prosecuting authorities and law enforcement officials, local county agencies, and licensing agencies investigating the alleged maltreatment under this section. The lead investigative agency shall exchange not public data with the vulnerable adult maltreatment review panel established in section 256.021 if the data are pertinent and necessary for a review requested under that section. Notwithstanding section 138.17, upon completion of the review, not public data received by the review panel must be returned to the lead agency destroyed.

(h) Each lead investigative agency shall keep records of the length of time it takes to complete its investigations.

(i) A lead investigative agency may notify other affected parties and their authorized representative if the lead investigative agency has reason to believe maltreatment has occurred and determines the information will safeguard the well-being of the affected parties or dispel widespread rumor or unrest in the affected facility.

(j) Under any notification provision of this section, where federal law specifically prohibits the disclosure of patient identifying information, a lead investigative agency may not provide any notice unless the vulnerable adult has consented to disclosure in a manner which conforms to federal requirements.

Sec. 14. Minnesota Statutes 2010, section 626.557, is amended by adding a subdivision to read:

**Subd. 21. Contested case hearing.** When an appeal of a lead investigative agency determination results in a contested case hearing under chapter 245A or 245C, the administrative law judge shall notify the vulnerable adult who is the subject of the maltreatment determination and, if known, a guardian of the vulnerable adult appointed under section 524.5-310, or a health care agent designated by the vulnerable adult in a health care directive that is currently effective under section 145C.06, and whose authority to make health care decisions is not suspended under section 524.5-310, of the hearing. The notice must be sent by certified mail and inform the vulnerable adult of the right to file a signed written statement in the proceedings. A guardian or health care agent who prepares or files a written statement for the vulnerable adult must indicate in the statement that the person is the vulnerable adult's guardian or health care agent and sign the statement in that capacity. The vulnerable adult, the guardian, or the health care agent may file a written statement with the administrative law judge hearing the case no later than five business days before commencement of the hearing. The administrative law judge shall include the written statement in the hearing record and consider the statement in deciding the appeal. This subdivision does not limit, prevent, or excuse the vulnerable adult from being called as a witness testifying at the hearing or grant the vulnerable adult, the guardian, or health care agent a right to participate in the proceedings or appeal the administrative law judge's decision in the case. The lead investigative agency must consider including the vulnerable adult victim of maltreatment as a witness in the hearing. If the lead investigative agency determines that participation in the hearing would endanger the well-being of the vulnerable adult or not be in the best interests of the vulnerable adult, the lead investigative agency shall inform the human services referee of the basis for this determination, which must be included in the final order. If the administrative law judge is not reasonably able to determine the address of the vulnerable adult, the guardian, or the health care agent, the administrative law judge is not required to send a hearing notice under this subdivision.
Sec. 15. Minnesota Statutes 2010, section 626.5571, subdivision 1, is amended to read:

Subdivision 1. **Establishment of team.** A county may establish a multidisciplinary adult protection team comprised of the director of the local welfare agency or designees, the county attorney or designees, the county sheriff or designees, and representatives of health care. In addition, representatives of mental health or other appropriate human service agencies, representatives from local tribal governments, and adult advocate groups may be added to the adult protection team.

Sec. 16. Minnesota Statutes 2010, section 626.5572, subdivision 13, is amended to read:

Subd. 13. **Lead investigative agency.** "Lead investigative agency" is the primary administrative agency responsible for investigating reports made under section 626.557.

(a) The Department of Health is the lead investigative agency for the facilities which are or services licensed or are required to be licensed as hospitals, home care providers, nursing homes, residential care homes, boarding care homes, or hospice providers, residential facilities that are also federally certified as intermediate care facilities that serve people with developmental disabilities, or any other facility or service not listed in this subdivision that is licensed or required to be licensed by the Department of Health for the care of vulnerable adults. "Home care provider" has the meaning provided in section 144A.43, subdivision 4, and applies when care or services are delivered in the vulnerable adult's home, whether a private home or a housing with services establishment registered under chapter 144D, including those that offer assisted living services under chapter 144G.

(b) The Department of Human Services is the lead investigative agency for the programs facilities or services licensed or required to be licensed as adult day care, adult foster care, programs for people with developmental disabilities, family adult day services, mental health programs, or mental health clinics, chemical health dependency programs, the Minnesota sex offender program, or any other facility or service not listed in this subdivision that is licensed or required to be licensed by the Department of Human Services.

(c) The county social service agency or its designee is the lead investigative agency for all other reports, including, but not limited to, reports involving vulnerable adults receiving services from an unlicensed a personal care provider organization under section 256B.0659.

Sec. 17. **REVISOR'S INSTRUCTION.**

The revisor of statutes shall change the terms "lead agency" and "lead agency's" to "lead investigative agency" or "lead investigative agency's" wherever they appear in Minnesota Statutes, sections 13A.02; 256.045; 626.557; and 626.5572." 

Delete the title and insert:

"A bill for an act relating to vulnerable adults; modifying provisions governing investigations, reviews, and hearings; making the crime of criminal abuse of a vulnerable adult a registrable offense under the predatory offender registration law; changing terminology; increasing the criminal penalty for assaulting a vulnerable adult; providing criminal penalties; amending Minnesota Statutes 2010, sections 144.7065, subdivision 10; 243.166, subdivision 1b; 256.021; 256.045, subdivision 4; 518.165, subdivision 5; 524.5-118, subdivision 2; 609.2231, by adding a subdivision; 609.224, subdivision 2; 626.557, subdivisions 9, 9a, 9c, 9d, 12b, by adding a subdivision; 626.5571, subdivision 1; 626.5572, subdivision 13."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Public Safety and Crime Prevention Policy and Finance.

The report was adopted.
Gottwalt from the Committee on Health and Human Services Reform to which was referred:

H. F. No. 462. A bill for an act relating to health occupations; providing for a Nurse Licensure Compact; providing for appointments; proposing coding for new law in Minnesota Statutes, chapter 148.

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

The report was adopted.

Gottwalt from the Committee on Health and Human Services Reform to which was referred:

H. F. No. 468, A bill for an act relating to health care; prohibiting the expenditure of state funds to comply with certain federal health care laws.

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

The report was adopted.

Cornish from the Committee on Public Safety and Crime Prevention Policy and Finance to which was referred:

H. F. No. 556, A bill for an act relating to public safety; amending provisions for juvenile prostitutes found in need of protection or services; defining sexually exploited youth; increasing penalty assessments imposed in certain prostitution crimes and amending distribution of the assessment; clarifying and recodifying certain provisions and modifying certain definitions in the prostitution laws; appropriating money to the commissioner of public safety to develop a statewide victim services model; requiring a report to the legislature; amending Minnesota Statutes 2010, sections 260B.007, subdivisions 6, 16; 260C.007, subdivisions 6, 11, by adding a subdivision; 609.321, subdivisions 4, 8, 9; 609.324, subdivisions 2, 3, by adding subdivisions; 609.3241; 626.558, subdivision 2a; repealing Minnesota Statutes 2010, sections 260B.141, subdivision 5; 260C.141, subdivision 6.

Reported the same back with the following amendments:

Page 5, after line 21, insert:

"Sec. 6. Minnesota Statutes 2010, section 609.321, subdivision 8, is amended to read:

Subd. 8. **Prostitute.** "Prostitute" means an individual 18 years of age or older who engages in prostitution.

**EFFECTIVE DATE.** This section is effective August 1, 2014, and applies to crimes committed on or after that date."

Page 6, line 22, delete "crime victims" and insert "safe harbor for youth"

Page 6, after line 25, insert:

"(d) **A safe harbor for youth account is established as a special account in the state treasury.**"
Page 8, line 10, delete the new language

Renumber the sections in sequence

Correct the title numbers accordingly

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

The report was adopted.

Hamilton from the Committee on Agriculture and Rural Development Policy and Finance to which was referred:

H. F. No. 716. A bill for an act relating to environment; requiring rulemaking for mandatory environmental assessment worksheet categories.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

The report was adopted.

Hamilton from the Committee on Agriculture and Rural Development Policy and Finance to which was referred:

H. F. No. 759. A bill for an act relating to agriculture; providing for the development and regulation of an industrial hemp industry; authorizing rulemaking; providing a defense for possession and cultivation of industrial hemp; modifying the definition of marijuana; amending Minnesota Statutes 2010, sections 18J.01; 18J.02; 18J.03; 18J.04, subdivisions 1, 2, 3, 4; 18J.05, subdivisions 1, 2, 6; 18J.06; 18J.07, subdivisions 3, 4, 5; 18J.09; 18J.11, subdivision 1, by adding a subdivision; 152.01, subdivision 9; 375.30, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 18K.

Reported the same back with the following amendments:

Page 8, after line 33, insert:

"Sec. 29. EFFECTIVE DATE.

Sections 1 to 23 and 25 to 28 are effective the day following final enactment. Section 24 is effective the day after the United States Department of Justice, Drug Enforcement Administration, authorizes a person to commercially grow industrial hemp in the United States."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Public Safety and Crime Prevention Policy and Finance.

The report was adopted.
Erickson from the Committee on Education Reform to which was referred:

H. F. No. 879, A bill for an act relating to education; establishing annual evaluations for principals; convening a group of experts and stakeholders to recommend a performance-based system model for these evaluations; amending Minnesota Statutes 2010, sections 123B.143, subdivision 1; 123B.147, subdivision 3.

Reported the same back with the following amendments:

Page 4, lines 13 and 15, delete "2013" and insert "2012"

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

The report was adopted.

Holberg from the Committee on Ways and Means to which was referred:

H. F. No. 935, A bill for an act relating to taxation; repealing requirement that commissioner of revenue delay corporate refunds; repealing Laws 2010, First Special Session chapter 1, article 13, section 6.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 262 and 935 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Woodard, Slocum, Kelly, Mariani and McFarlane introduced:

H. F. No. 1008, A bill for an act relating to education finance; modifying charter school revenue formulas; amending Minnesota Statutes 2010, section 124D.11, subdivisions 1, 4.

The bill was read for the first time and referred to the Committee on Education Finance.

Lanning, Fabian, Marquart and Kiel introduced:

H. F. No. 1009, A bill for an act relating to natural resources; appropriating money for grants to the Red River Basin Commission.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.
McNamara introduced:

H. F. No. 1010, A bill for an act relating to natural resources; providing for disposition of pheasant habitat improvement account; appropriating money; amending Minnesota Statutes 2010, section 97A.075, subdivision 4.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

McNamara introduced:

H. F. No. 1011, A bill for an act relating to natural resources; providing for disposition of trout and salmon management account; appropriating money; amending Minnesota Statutes 2010, section 97A.075, subdivision 3.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

McNamara introduced:

H. F. No. 1012, A bill for an act relating to natural resources; providing for disposition of waterfowl habitat improvement account; appropriating money; amending Minnesota Statutes 2010, section 97A.075, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

Kiffmeyer introduced:

H. F. No. 1013, A bill for an act relating to elections; providing term limits for state legislators; proposing an amendment to the Minnesota Constitution, article IV, section 6.

The bill was read for the first time and referred to the Committee on Government Operations and Elections.

Morrow introduced:

H. F. No. 1014, A bill for an act relating to human services; modifying the medical assistance employed persons with disabilities program; changing asset limitation provisions; appropriating money; amending Minnesota Statutes 2010, sections 256B.056, subdivision 3; 256B.057, subdivision 9.

The bill was read for the first time and referred to the Committee on Health and Human Services Finance.

Morrow introduced:

H. F. No. 1015, A bill for an act relating to transportation; appropriating money for marked Trunk Highway 14 construction.

The bill was read for the first time and referred to the Committee on Transportation Policy and Finance.
Kelly, Fritz, Mack, Huntley and Hamilton introduced:

H. F. No. 1016, A bill for an act relating to health; providing for consolidation of nursing facilities; amending Minnesota Statutes 2010, section 144A.071, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services Finance.

Kelly introduced:

H. F. No. 1017, A bill for an act relating to state lands; authorizing city of Red Wing to convey certain property; providing for conveyance of certain surplus state land; amending Laws 1976, chapter 50, section 1, subdivision 2.

The bill was read for the first time and referred to the Committee on Government Operations and Elections.

Zellers, Huntley, Peppin, Abeler, Gottwalt, Fritz and Hayden introduced:

H. F. No. 1018, A bill for an act relating to health; providing an exception to the hospital moratorium; amending Minnesota Statutes 2010, section 144.551, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services Reform.

Franson introduced:

H. F. No. 1019, A bill for an act relating to human services; modifying school readiness service agreements in the child care assistance program; amending Minnesota Statutes 2010, section 119B.231, subdivisions 2, 4; repealing Minnesota Statutes 2010, section 124D.142.

The bill was read for the first time and referred to the Committee on Health and Human Services Reform.

Gottwalt, Hamilton and Gunther introduced:

H. F. No. 1020, A bill for an act relating to human services; phasing out nursing facility rate equalization; amending Minnesota Statutes 2010, section 256B.48, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services Finance.

Mack, Gottwalt and Hosch introduced:

H. F. No. 1021, A bill for an act relating to human services; modifying long-term care consultation; modifying elderly waiver; amending Minnesota Statutes 2010, sections 256B.0911, subdivision 3a; 256B.0915, subdivisions 3e, 3h, 5, 6, 10.

The bill was read for the first time and referred to the Committee on Health and Human Services Finance.
Vogel introduced:

H. F. No. 1022, A bill for an act relating to natural resources; extending availability of Grass Lake appropriation; amending Laws 2006, chapter 258, section 9, subdivision 5.

The bill was read for the first time and referred to the Committee on Capital Investment.

Smith introduced:

H. F. No. 1023, A bill for an act relating to courts; authorizing the court to seek partial payment or reimbursement of costs from a party proceeding in forma pauperis; amending Minnesota Statutes 2010, section 563.01, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary Policy and Finance.

Stensrud, Lanning, Sanders, Daudt and Banaian introduced:

H. F. No. 1024, A bill for an act relating to state government; reducing the number of deputy commissioners and eliminating assistant commissioner positions in the unclassified service; amending Minnesota Statutes 2010, sections 15.06, subdivision 8; 16B.03; 43A.08, subdivision 1; 45.013; 84.01, subdivision 3; 116.03, subdivision 1; 116J.01, subdivision 5; 116J.035, subdivision 4; 174.02, subdivision 2; 241.01, subdivision 2.

The bill was read for the first time and referred to the Committee on State Government Finance.

Beard introduced:

H. F. No. 1025, A bill for an act relating to utilities; requiring utility rates be based primarily on cost of service between and among consumer classes; making clarifying and technical changes; amending Minnesota Statutes 2010, sections 216B.03; 216B.07; 216B.16, subdivisions 6, 15; 216B.2401; repealing Minnesota Statutes 2010, section 216B.242.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

Buesgens, Beard, Koenen, Eken and Leidiger introduced:

H. F. No. 1026, A bill for an act relating to taxation; income; providing a credit for railroad track maintenance; proposing coding for new law in Minnesota Statutes, chapter 290.

The bill was read for the first time and referred to the Committee on Taxes.

Buesgens, Beard, Koenen, Eken and Leidiger introduced:

H. F. No. 1027, A bill for an act relating to taxation; income; providing for subtraction of certain railroad track maintenance expenditures; amending Minnesota Statutes 2010, sections 290.01, subdivisions 19b, 19d; 290.091, subdivision 2.

The bill was read for the first time and referred to the Committee on Taxes.
Murphy, M., introduced:

H. F. No. 1028, A bill for an act relating to arts and cultural heritage; appropriating money to regional library systems for educational opportunities in the arts, history, literary history, and cultural heritage of Minnesota; appropriating money.

The bill was read for the first time and referred to the Legacy Funding Division.

Kelly introduced:

H. F. No. 1029, A bill for an act relating to education finance; appropriating money from the special revenue fund to the Board of Teaching for activities associated with licensure by portfolio.

The bill was read for the first time and referred to the Committee on Education Finance.

Kiel introduced:

H. F. No. 1030, A bill for an act relating to natural resources; requiring reimbursement for costs of the Red River State Recreation Area.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

Stensrud; Woodard; Lohmer; Anderson, D.; Anderson, S., and Murdock introduced:

H. F. No. 1031, A bill for an act relating to the legislature; requiring that certain services be provided through a joint legislative office; amending Minnesota Statutes 2010, sections 3.06, subdivision 1; 3.303, by adding a subdivision.

The bill was read for the first time and referred to the Committee on State Government Finance.

Torkelson and Beard introduced:

H. F. No. 1032, A bill for an act relating to employment; modifying certain prevailing hours of labor requirements; amending Minnesota Statutes 2010, section 177.42, subdivision 4.

The bill was read for the first time and referred to the Committee on Transportation Policy and Finance.

Cornish introduced:

H. F. No. 1033, A bill for an act relating to public safety; reauthorizing that certain short term commitments to the commissioner of corrections be served in county jails; amending Minnesota Statutes 2010, section 609.105, subdivision 1, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Public Safety and Crime Prevention Policy and Finance.
Cornish introduced:

H. F. No. 1034, A bill for an act relating to corrections; requiring inmates to co-pay a set minimum amount for healthcare provider visits; amending Minnesota Statutes 2010, section 243.212.

The bill was read for the first time and referred to the Committee on Public Safety and Crime Prevention Policy and Finance.

Anderson, S.; Nornes and Anderson, D., introduced:

H. F. No. 1035, A bill for an act relating to commerce; repealing prohibition on municipality issuing more than one off-sale license to any one person or place; repealing Minnesota Statutes 2010, section 340A.412, subdivision 3.

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform.

Sanders and Westrom introduced:

H. F. No. 1036, A bill for an act relating to state government; providing for management and consolidation of the state passenger vehicle fleet; amending Minnesota Statutes 2010, section 16B.54, subdivision 1.

The bill was read for the first time and referred to the Committee on Government Operations and Elections.

Sanders and LeMieux introduced:

H. F. No. 1037, A bill for an act relating to state government; requiring Department of Employment and Economic Development to issue a request for proposals for an unemployment compensation payment and business intelligence contract.

The bill was read for the first time and referred to the Committee on Jobs and Economic Development Finance.

Sanders and LeMieur introduced:

H. F. No. 1038, A bill for an act relating to state government; requiring the Department of Labor and Industry to issue a request for proposals for a contract to reduce improper workers' compensation payments.

The bill was read for the first time and referred to the Committee on Jobs and Economic Development Finance.

Hamilton introduced:

H. F. No. 1039, A bill for an act relating to agriculture; reducing the operating budget for the Department of Agriculture.

The bill was read for the first time and referred to the Committee on Agriculture and Rural Development Policy and Finance.
Bills, Slocum and Myhra introduced:


The bill was read for the first time and referred to the Committee on Education Finance.

Mack, Sanders, Stensrud, Hoppe, McDonald and Franson introduced:

H. F. No. 1041, A bill for an act relating to state government; establishing a state employee suggestion system for making state government less costly or more efficient; proposing coding for new law in Minnesota Statutes, chapter 16A.

The bill was read for the first time and referred to the Committee on Government Operations and Elections.

Holberg, Fabian, Hamilton, Swedzinski and Kiel introduced:

H. F. No. 1042, A bill for an act relating to health; prohibiting abortions at or after 20 weeks gestational age unless certain exceptions apply; providing civil and criminal penalties; amending Minnesota Statutes 2010, section 145.4131, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 8; 145.

The bill was read for the first time and referred to the Committee on Health and Human Services Reform.

Gauthier, Cornish, Nelson, Slocum, Tillberry, Gruenhagen, Woodard and Leidiger introduced:

H. F. No. 1043, A bill for an act relating to public safety; proposing new penalties for repeat violators of certain motor vehicle property crimes; amending Minnesota Statutes 2010, section 609.546.

The bill was read for the first time and referred to the Committee on Public Safety and Crime Prevention Policy and Finance.

Davids introduced:

H. F. No. 1044, A bill for an act relating to taxation; conforming to federal tax treatment; amending Minnesota Statutes 2010, sections 289A.02, subdivision 7; 290.01, subdivisions 19, 31; 290A.03, subdivision 15.

The bill was read for the first time and referred to the Committee on Taxes.

Runbeck introduced:

H. F. No. 1045, A bill for an act relating to property taxation; reducing disparity reduction aid payments; amending Minnesota Statutes 2010, section 273.1398, subdivision 3.

The bill was read for the first time and referred to the Committee on Taxes.
Runbeck introduced:

H. F. No. 1046, A bill for an act relating to property taxation; converting the market value homestead credit to a tax capacity reduction; amending Minnesota Statutes 2010, sections 273.13, subdivision 21b; 273.1384, subdivisions 1, 3, 4; 273.1393; 275.08, subdivision 1a; 276.04, subdivision 2; repealing Minnesota Statutes 2010, section 273.1384, subdivision 6.

The bill was read for the first time and referred to the Committee on Taxes.

Westrom introduced:

H. F. No. 1047, A bill for an act relating to property tax refunds for homeowners; modifying the schedule and ending the inflation adjustment of the brackets and maximum refund amounts; amending Minnesota Statutes 2010, section 290A.04, subdivisions 2, 4.

The bill was read for the first time and referred to the Committee on Taxes.

Westrom introduced:

H. F. No. 1048, A bill for an act relating to property tax refunds for renters; modifying the schedule, reducing the percentage of rent constituting property taxes, and ending the inflation adjustment of the brackets and maximum refund amounts; amending Minnesota Statutes 2010, sections 290A.03, subdivisions 11, 13; 290A.04, subdivisions 2a, 4.

The bill was read for the first time and referred to the Committee on Taxes.

Gunther and McFarlane introduced:

H. F. No. 1049, A bill for an act relating to jobs, economic development, and housing; appropriating money.

The bill was read for the first time and referred to the Committee on Jobs and Economic Development Finance.

REPORT FROM THE COMMITTEE ON RULES
AND LEGISLATIVE ADMINISTRATION

Dean from the Committee on Rules and Legislative Administration, pursuant to rule 1.21, designated the following bills to be placed on the Calendar for the Day for Thursday, March 10, 2011:

H. F. Nos. 110, 299, 576, 613 and 52.

CALENDAR FOR THE DAY

S. F. No. 125, A bill for an act relating to financial institutions; authorizing a detached facility in Northern Township under certain conditions.

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.

Pursuant to rule 2.05, Davids was excused from voting on the final passage of S. F. No. 125.

There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler  Dettmer  Hansen  Leidiger  Murdock  Scott
Anderson, B.  Dill  Hausman  LeMieur  Murphy, E.  Shimanski
Anderson, D.  Dittrich  Hayden  Lenczewski  Murphy, M.  Simon
Anderson, P.  Doepke  Hilstrom  Lesch  Murray  Slawik
Anderson, S.  Downey  Hilty  Liebling  Myhra  Slocum
Anzelc  Drazkowski  Holberg  Lillie  Nelson  Smith
Banaian  Eken  Hoppe  Loeffler  Nornes  Stensrud
Barrett  Erickson  Hornstein  Lohmer  Norton  Swedzinski
Beard  Fabian  Hortman  Loon  O'Driscoll  Thissen
Benson, J.  Falk  Hosch  Mack  Paymar  Tillberry
Benson, M.  Franson  Howes  Mahoney  Pelowski  Torkelson
Bills  Fritz  Johnson  Mariani  Peppin  Urdahl
Brynaert  Garofalo  Kahn  Marquart  Persell  Vogel
Buesgens  Gauthier  Kath  Mazorol  Peterson, B.  Wagenius
Carlson  Gottwalt  Kelly  McDonald  Peterson, S.  Ward
Champion  Greene  Kieffer  McElfatrick  Poppe  Wardlow
Clark  Greiling  Kiel  McFarlane  Quam  Westrom
Cornish  Gruenhagen  Kiffmeyer  McNamara  Rukavina  Winkler
Crawford  Gunther  Knuth  Melin  Runbeck  Woodard
Daudt  Hackbart  Koenen  Moran  Sanders  Spk. Zellers
Davnie  Hamilton  Kriesel  Morrow  Scalze
Dean  Hancock  Laming  Mullery  Schomacker

The bill was passed and its title agreed to.

H. F. No. 79 was reported to the House.

Davids moved to amend H. F. No. 79, the second engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2010, section 289A.02, subdivision 7, is amended to read:


**EFFECTIVE DATE.** This section is effective the day following final enactment."
Sec. 2. Minnesota Statutes 2010, section 290.01, subdivision 19, is amended to read:

Subd. 19. **Net income.** The term "net income" means the federal taxable income, as defined in section 63 of the Internal Revenue Code of 1986, as amended through the date named in this subdivision, incorporating the federal effective dates of changes to the Internal Revenue Code and any elections made by the taxpayer in accordance with the Internal Revenue Code in determining federal taxable income for federal income tax purposes, and with the modifications provided in subdivisions 19a to 19f.

In the case of a regulated investment company or a fund thereof, as defined in section 851(a) or 851(g) of the Internal Revenue Code, federal taxable income means investment company taxable income as defined in section 852(b)(2) of the Internal Revenue Code, except that:

1. the exclusion of net capital gain provided in section 852(b)(2)(A) of the Internal Revenue Code does not apply;
2. the deduction for dividends paid under section 852(b)(2)(D) of the Internal Revenue Code must be applied by allowing a deduction for capital gain dividends and exempt-interest dividends as defined in sections 852(b)(3)(C) and 852(b)(5) of the Internal Revenue Code; and
3. the deduction for dividends paid must also be applied in the amount of any undistributed capital gains which the regulated investment company elects to have treated as provided in section 852(b)(3)(D) of the Internal Revenue Code.

The net income of a real estate investment trust as defined and limited by section 856(a), (b), and (c) of the Internal Revenue Code means the real estate investment trust taxable income as defined in section 857(b)(2) of the Internal Revenue Code.

The net income of a designated settlement fund as defined in section 468B(d) of the Internal Revenue Code means the gross income as defined in section 468B(b) of the Internal Revenue Code.

The Internal Revenue Code of 1986, as amended through March 18, 2010, shall be in effect for taxable years beginning after December 31, 1996, except that for taxable years beginning after December 31, 2009, and before January 1, 2011, "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended through December 31, 2010. The provisions of the act of January 22, 2010, Public Law 111-126, to accelerate the benefits for charitable cash contributions for the relief of victims of the Haitian earthquake, are effective at the same time it became effective for federal purposes and apply to the subtraction under subdivision 19b, clause (6). The provisions of title II, section 2112, of the act of September 27, 2010, Public Law 111-240, rollovers from elective deferral plans to designated Roth accounts, are effective at the same time they became effective for federal purposes and taxable rollovers are included in net income at the same time they are included in gross income for federal purposes.

Except as otherwise provided, references to the Internal Revenue Code in subdivisions 19 to 19f mean the code in effect for purposes of determining net income for the applicable year.

**EFFECTIVE DATE.** This section is effective the day following final enactment, except that the changes incorporated by federal changes are effective at the same time as the changes were effective for federal purposes.

Sec. 3. Minnesota Statutes 2010, section 290.01, subdivision 19a, is amended to read:

Subd. 19a. **Additions to federal taxable income.** For individuals, estates, and trusts, there shall be added to federal taxable income:
(1)(i) interest income on obligations of any state other than Minnesota or a political or governmental subdivision, municipality, or governmental agency or instrumentality of any state other than Minnesota exempt from federal income taxes under the Internal Revenue Code or any other federal statute; and

(ii) exempt-interest dividends as defined in section 852(b)(5) of the Internal Revenue Code, except:

(A) the portion of the exempt-interest dividends exempt from state taxation under the laws of the United States; and

(B) the portion of the exempt-interest dividends derived from interest income on obligations of the state of Minnesota or its political or governmental subdivisions, municipalities, governmental agencies or instrumentalties, but only if the portion of the exempt-interest dividends from such Minnesota sources paid to all shareholders represents 95 percent or more of the exempt-interest dividends, including any dividends exempt under subitem (A), that are paid by the regulated investment company as defined in section 851(a) of the Internal Revenue Code, or the fund of the regulated investment company as defined in section 851(g) of the Internal Revenue Code, making the payment; and

(iii) for the purposes of items (i) and (ii), interest on obligations of an Indian tribal government described in section 7871(c) of the Internal Revenue Code shall be treated as interest income on obligations of the state in which the tribe is located;

(2) the amount of income, sales and use, motor vehicle sales, or excise taxes paid or accrued within the taxable year under this chapter and the amount of taxes based on net income paid, sales and use, motor vehicle sales, or excise taxes paid to any other state or to any province or territory of Canada, to the extent allowed as a deduction under section 63(d) of the Internal Revenue Code, but the addition may not be more than the amount by which the itemized deductions as allowed under section 63(d) of the Internal Revenue Code exceeds the amount of the standard deduction as defined in section 63(c) of the Internal Revenue Code, disregarding the amounts allowed under sections 63(c)(1)(C) and 63(c)(1)(E) of the Internal Revenue Code. For the purpose of this paragraph, the disallowance of itemized deductions under section 68 of the Internal Revenue Code of 1986, income, sales and use, motor vehicle sales, or excise taxes are the last itemized deductions disallowed;

(3) the capital gain amount of a lump-sum distribution to which the special tax under section 1122(h)(3)(B)(ii) of the Tax Reform Act of 1986, Public Law 99-514, applies;

(4) the amount of income taxes paid or accrued within the taxable year under this chapter and taxes based on net income paid to any other state or any province or territory of Canada, to the extent allowed as a deduction in determining federal adjusted gross income. For the purpose of this paragraph, income taxes do not include the taxes imposed by sections 290.0922, subdivision 1, paragraph (b), 290.9727, 290.9728, and 290.9729;

(5) the amount of expense, interest, or taxes disallowed pursuant to section 290.10 other than expenses or interest used in computing net interest income for the subtraction allowed under subdivision 19b, clause (1);

(6) the amount of a partner's pro rata share of net income which does not flow through to the partner because the partnership elected to pay the tax on the income under section 6242(a)(2) of the Internal Revenue Code;

(7) 80 percent of the depreciation deduction allowed under section 168(k) of the Internal Revenue Code. For purposes of this clause, if the taxpayer has an activity that in the taxable year generates a deduction for depreciation under section 168(k) and the activity generates a loss for the taxable year that the taxpayer is not allowed to claim for the taxable year, "the depreciation allowed under section 168(k)" for the taxable year is limited to excess of the depreciation claimed by the activity under section 168(k) over the amount of the loss from the activity that is not allowed in the taxable year. In succeeding taxable years when the losses not allowed in the taxable year are allowed, the depreciation under section 168(k) is allowed;
(8) 80 percent of the amount by which the deduction allowed by section 179 of the Internal Revenue Code exceeds the deduction allowable by section 179 of the Internal Revenue Code of 1986, as amended through December 31, 2003;

(9) to the extent deducted in computing federal taxable income, the amount of the deduction allowable under section 199 of the Internal Revenue Code;

(10) the exclusion allowed under section 139A of the Internal Revenue Code for federal subsidies for prescription drug plans;

(11) the amount of expenses disallowed under section 290.10, subdivision 2;

(12) for taxable years beginning before January 1, 2010, and after December 31, 2010, the amount deducted for qualified tuition and related expenses under section 222 of the Internal Revenue Code, to the extent deducted from gross income;

(13) for taxable years beginning before January 1, 2010, and after December 31, 2010, the amount deducted for certain expenses of elementary and secondary school teachers under section 62(a)(2)(D) of the Internal Revenue Code, to the extent deducted from gross income;

(14) the additional standard deduction for property taxes payable that is allowable under section 63(c)(1)(C) of the Internal Revenue Code;

(15) the additional standard deduction for qualified motor vehicle sales taxes allowable under section 63(c)(1)(E) of the Internal Revenue Code;

(16) discharge of indebtedness income resulting from reacquisition of business indebtedness and deferred under section 108(i) of the Internal Revenue Code; and

(17) the amount of unemployment compensation exempt from tax under section 85(c) of the Internal Revenue Code.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2009.

Sec. 4. Minnesota Statutes 2010, section 290.01, subdivision 19c, is amended to read:

Subd. 19c. Corporations; additions to federal taxable income. For corporations, there shall be added to federal taxable income:

(1) the amount of any deduction taken for federal income tax purposes for income, excise, or franchise taxes based on net income or related minimum taxes, including but not limited to the tax imposed under section 290.0922, paid by the corporation to Minnesota, another state, a political subdivision of another state, the District of Columbia, or any foreign country or possession of the United States;

(2) interest not subject to federal tax upon obligations of: the United States, its possessions, its agencies, or its instrumentalities; the state of Minnesota or any other state, any of its political or governmental subdivisions, any of its municipalities, or any of its governmental agencies or instrumentalities; the District of Columbia; or Indian tribal governments;

(3) exempt-interest dividends received as defined in section 852(b)(5) of the Internal Revenue Code;
(4) the amount of any net operating loss deduction taken for federal income tax purposes under section 172 or 832(c)(10) of the Internal Revenue Code or operations loss deduction under section 810 of the Internal Revenue Code;

(5) the amount of any special deductions taken for federal income tax purposes under sections 241 to 247 and 965 of the Internal Revenue Code;

(6) losses from the business of mining, as defined in section 290.05, subdivision 1, clause (a), that are not subject to Minnesota income tax;

(7) the amount of any capital losses deducted for federal income tax purposes under sections 1211 and 1212 of the Internal Revenue Code;

(8) the exempt foreign trade income of a foreign sales corporation under sections 921(a) and 291 of the Internal Revenue Code;

(9) the amount of percentage depletion deducted under sections 611 through 614 and 291 of the Internal Revenue Code;

(10) for certified pollution control facilities placed in service in a taxable year beginning before December 31, 1986, and for which amortization deductions were elected under section 169 of the Internal Revenue Code of 1954, as amended through December 31, 1985, the amount of the amortization deduction allowed in computing federal taxable income for those facilities;

(11) the amount of any deemed dividend from a foreign operating corporation determined pursuant to section 290.17, subdivision 4, paragraph (g). The deemed dividend shall be reduced by the amount of the addition to income required by clauses (20), (21), (22), and (23);

(12) the amount of a partner's pro rata share of net income which does not flow through to the partner because the partnership elected to pay the tax on the income under section 6242(a)(2) of the Internal Revenue Code;

(13) the amount of net income excluded under section 114 of the Internal Revenue Code;

(14) any increase in subpart F income, as defined in section 952(a) of the Internal Revenue Code, for the taxable year when subpart F income is calculated without regard to the provisions of Division C, title III, section 303(b) of Public Law 110-343;

(15) 80 percent of the depreciation deduction allowed under section 168(k)(1)(A) and (k)(4)(A) of the Internal Revenue Code. For purposes of this clause, if the taxpayer has an activity that in the taxable year generates a deduction for depreciation under section 168(k)(1)(A) and (k)(4)(A) and the activity generates a loss for the taxable year that the taxpayer is not allowed to claim for the taxable year, "the depreciation allowed under section 168(k)(1)(A) and (k)(4)(A)" for the taxable year is limited to excess of the depreciation claimed by the activity under section 168(k)(1)(A) and (k)(4)(A) over the amount of the loss from the activity that is not allowed in the taxable year. In succeeding taxable years when the losses not allowed in the taxable year are allowed, the depreciation under section 168(k)(1)(A) and (k)(4)(A) is allowed;

(16) 80 percent of the amount by which the deduction allowed by section 179 of the Internal Revenue Code exceeds the deduction allowable by section 179 of the Internal Revenue Code of 1986, as amended through December 31, 2003;

(17) to the extent deducted in computing federal taxable income, the amount of the deduction allowable under section 199 of the Internal Revenue Code;
(18) the exclusion allowed under section 139A of the Internal Revenue Code for federal subsidies for
prescription drug plans;

(19) the amount of expenses disallowed under section 290.10, subdivision 2;

(20) an amount equal to the interest and intangible expenses, losses, and costs paid, accrued, or incurred by any
member of the taxpayer's unitary group to or for the benefit of a corporation that is a member of the taxpayer's
unitary business group that qualifies as a foreign operating corporation. For purposes of this clause, intangible
expenses and costs include:

(i) expenses, losses, and costs for, or related to, the direct or indirect acquisition, use, maintenance or
management, ownership, sale, exchange, or any other disposition of intangible property;

(ii) losses incurred, directly or indirectly, from factoring transactions or discounting transactions;

(iii) royalty, patent, technical, and copyright fees;

(iv) licensing fees; and

(v) other similar expenses and costs.

For purposes of this clause, "intangible property" includes stocks, bonds, patents, patent applications, trade names,
trademarks, service marks, copyrights, mask works, trade secrets, and similar types of intangible assets.

This clause does not apply to any item of interest or intangible expenses or costs paid, accrued, or incurred, directly
or indirectly, to a foreign operating corporation with respect to such item of income to the extent that the income to
the foreign operating corporation is income from sources without the United States as defined in subtitle A, chapter 1,
subchapter N, part 1, of the Internal Revenue Code;

(21) except as already included in the taxpayer's taxable income pursuant to clause (20), any interest income and
income generated from intangible property received or accrued by a foreign operating corporation that is a member
of the taxpayer's unitary group. For purposes of this clause, income generated from intangible property includes:

(i) income related to the direct or indirect acquisition, use, maintenance or management, ownership, sale,
exchange, or any other disposition of intangible property;

(ii) income from factoring transactions or discounting transactions;

(iii) royalty, patent, technical, and copyright fees;

(iv) licensing fees; and

(v) other similar income.

For purposes of this clause, "intangible property" includes stocks, bonds, patents, patent applications, trade names,
trademarks, service marks, copyrights, mask works, trade secrets, and similar types of intangible assets.

This clause does not apply to any item of interest or intangible income received or accrued by a foreign operating
corporation with respect to such item of income to the extent that the income is income from sources without the
United States as defined in subtitle A, chapter 1, subchapter N, part 1, of the Internal Revenue Code;
(22) the dividends attributable to the income of a foreign operating corporation that is a member of the taxpayer's unitary group in an amount that is equal to the dividends paid deduction of a real estate investment trust under section 561(a) of the Internal Revenue Code for amounts paid or accrued by the real estate investment trust to the foreign operating corporation;

(23) the income of a foreign operating corporation that is a member of the taxpayer's unitary group in an amount that is equal to gains derived from the sale of real or personal property located in the United States;

(24) for taxable years beginning before January 1, 2010, and after December 31, 2010, the additional amount allowed as a deduction for donation of computer technology and equipment under section 170(e)(6) of the Internal Revenue Code, to the extent deducted from taxable income; and

(25) discharge of indebtedness income resulting from reacquisition of business indebtedness and deferred under section 108(i) of the Internal Revenue Code.

**EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2009.

Sec. 5. Minnesota Statutes 2010, section 290.01, subdivision 31, is amended to read:


**EFFECTIVE DATE.** This section is effective the day following final enactment, except the changes incorporated by federal changes are effective at the same time as the changes were effective for federal purposes.

Sec. 6. Minnesota Statutes 2010, section 290A.03, subdivision 15, is amended to read:


**EFFECTIVE DATE.** This section is effective for property tax refunds based on property taxes payable on or after December 31, 2010, and rent paid on or after December 31, 2009.

Sec. 7. **CORRECTED FORM W-2 NOT REQUIRED.**

Employers who have prepared and distributed form W-2, wage and tax statement, for tax year 2010, that reported to employees the amount of health coverage provided to adult children under age 27 includable in net income under prior law, are not required to prepare and distribute corrected tax year 2010 form W-2.

**EFFECTIVE DATE.** This section is effective the day following final enactment.
Sec. 8. **REPEALER.**

Laws 2010, First Special Session chapter 1, article 13, section 6, is repealed.

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

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 79, A bill for an act relating to taxation; income; franchise; conforming to certain changes in the Internal Revenue Code; repealing requirement that commissioner of revenue delay corporate refunds; amending Minnesota Statutes 2010, sections 289A.02, subdivision 7; 290.01, subdivisions 19, 19a, 19c, 31; 290A.03, subdivision 15; repealing Laws 2010, First Special Session chapter 1, article 13, section 6.

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 128 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Abeler  Dean  Hausman  Lenczewski  Murphy, M.  Simon  
Anderson, B.  Dettmer  Hayden  Lesch  Murray  Slawik  
Anderson, D.  Dill  Hilstrom  Liebling  Myhra  Slocum  
Anderson, P.  Dittrich  Hilty  Lillie  Nelson  Smith  
Anderson, S.  Doepke  Holberg  Loeffler  Nornes  Stensrud  
Anzelc  Downey  Hoppe  Lohmer  Norton  Swedzinski  
Atkins  Drazkowski  Hornstein  Loon  O'Driscoll  Thissen  
Banaian  Eken  Hortman  Mack  Paymar  Tillberry  
Barrett  Erickson  Hosch  Mahoney  Pelowski  Torkelson  
Beard  Fabian  Howes  Mariani  Peppin  Urda  
Benson, J.  Falk  Johnson  Marquart  Persell  Vogel  
Benson, M.  Franson  Kahn  Mazorol  Petersen, B.  Wagenius  
Bills  Fritz  Kath  McDonald  Peterson, S.  Ward  
Brynaert  Garofalo  Kelly  McElfatrick  Poppe  Wardlow  
Carlson  Gauthier  Kieffer  McFarlane  Quam  Westrom  
Champion  Gottwald  Kiel  McNamara  Rukavina  Winkler  
Clark  Greene  Kiffmeyer  Melin  Runbeck  Woodard  
Cornish  Greiling  Knuth  Moran  Sanders  Spk. Zellers  
Crawford  Gruenhagen  Koenen  Morrow  Scalze  
Daudt  Hack Barth  Kriessel  Mullery  Schomacker  
Davids  Hamilton  Laming  Murdock  Scott  
Davnie  Hansen  LeMieur  Murphy, E.  Shimanski  

Those who voted in the negative were:

Buesgens  Hancock  Leidiger  

The bill was passed, as amended, and its title agreed to.
H. F. No. 576, A bill for an act relating to education finance; repealing short-term borrowing by modifying payment to districts; repealing Minnesota Statutes 2010, section 127A.46.

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 123 yeas and 8 nays as follows:

Those who voted in the affirmative were:


Those who voted in the negative were:

Benson, M.  Buesgens  Murphy, E.  Shimanski

The bill was passed and its title agreed to.

H. F. No. 613, A bill for an act relating to local government; providing for terms for members of the Red Wing Port Authority; amending Minnesota Statutes 2010, section 469.081, 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:

The bill was passed and its title agreed to.

H. F. No. 110, A bill for an act relating to state government; increasing the membership of the Legislative Commission on Pensions and Retirement; amending Minnesota Statutes 2010, section 3.85, subdivision 3.

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 126 yeas and 5 nays as follows:

Those who voted in the affirmative were:

|--------|---------------|--------------|--------------|--------------|----------|--------|-------|-------|----------|-----------|-------|---------|--------|----------|-------|---------|---------|----------|---------|---------|
Those who voted in the negative were:

Barrett  Buesgens  Drazkowski  Hackbarth  Woodard

The bill was passed and its title agreed to.

Dean moved that the remaining bills on the Calendar for the Day be continued. The motion prevailed.

MOTIONS AND RESOLUTIONS

Loon moved that the name of Doepke be added as an author on H. F. No. 10. The motion prevailed.

Bills moved that the name of Doepke be added as an author on H. F. No. 11. The motion prevailed.

Gottwalt moved that the name of Lenczewski be added as an author on H. F. No. 200. The motion prevailed.

Pelowski moved that his name be stricken as an author on H. F. No. 306. The motion prevailed.

Fritz moved that the name of Ward be added as an author on H. F. No. 315. The motion prevailed.

Smith moved that the names of Morrow and Slocum be added as authors on H. F. No. 474. The motion prevailed.

Downey moved that the name of Gottwalt be added as an author on H. F. No. 482. The motion prevailed.

Greene moved that the name of McFarlane be added as an author on H. F. No. 552. The motion prevailed.

Smith moved that the name of Slocum be added as an author on H. F. No. 609. The motion prevailed.

Kriesel moved that the names of Sanders and Fritz be added as authors on H. F. No. 847. The motion prevailed.

Holberg moved that the names of Davids and Crawford be added as authors on H. F. No. 936. The motion prevailed.

Liebling moved that the name of Norton be added as an author on H. F. No. 953. The motion prevailed.

Anzelc moved that the name of Persell be added as an author on H. F. No. 964. The motion prevailed.

Melin moved that the name of Davids be added as an author on H. F. No. 974. The motion prevailed.

Westrom moved that the name of Runbeck be added as an author on H. F. No. 997. The motion prevailed.

Rukavina moved that the name of McElfatrick be added as an author on H. F. No. 1002. The motion prevailed.

Howes moved that the name of Persell be added as an author on H. F. No. 1006. The motion prevailed.
Loon moved that H. F. No. 669 be recalled from the Committee on Education Reform and be re-referred to the Committee on Education Finance. The motion prevailed.

Murphy, E., moved that H. F. No. 689 be recalled from the Committee on Health and Human Services Reform and be re-referred to the Committee on Health and Human Services Finance. The motion prevailed.

Dettmer moved that H. F. No. 998 be recalled from the Committee on Public Safety and Crime Prevention Policy and Finance and be re-referred to the Committee on Judiciary Policy and Finance. The motion prevailed.

IN MEMORIAM

The members of the House of Representatives paused for a moment of silence in memory of former Representative Karl F. Grittner, of St. Paul, Minnesota, who served from 1953 to 1958, who passed away on Thursday, March 3, 2011.

ADJOURNMENT

Dean moved that when the House adjourns today it adjourn until 3:00 p.m., Monday, March 14, 2011. The motion prevailed.

Dean moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 3:00 p.m., Monday, March 14, 2011.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives