

STATE OF MINNESOTA

EIGHTY-EIGHTH SESSION — 2013

 TWENTIETH DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 4, 2013

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

Prayer was offered by the Reverend Jered Weber-Johnson, St. John the Evangelist Episcopal Church, 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	Dill	Hertaus	Lien	Nornes	Simon
Albright	Dorholt	Hilstrom	Lillie	Norton	Simonson
Allen	Drazkowski	Holberg	Loeffler	O'Driscoll	Sundin
Anderson, M.	Erickson, R.	Hoppe	Lohmer	O'Neill	Swedzinski
Anderson, P.	Erickson, S.	Hornstein	Loon	Paymar	Theis
Anderson, S.	Fabian	Hortman	Mack	Pelowski	Torkelson
Anzelc	Falk	Howe	Mahoney	Peppin	Uglen
Atkins	Faust	Huntley	Marquart	Persell	Urdahl
Barrett	Fischer	Isaacson	Masin	Petersburg	Wagenius
Beard	FitzSimmons	Johnson, B.	McDonald	Poppe	Ward, J.A.
Benson, J.	Franson	Johnson, C.	McNamar	Pugh	Ward, J.E.
Benson, M.	Freiberg	Johnson, S.	Melin	Quam	Wills
Bernardy	Fritz	Kahn	Metsa	Radinovich	Winkler
Bly	Garofalo	Kelly	Moran	Rosenthal	Woodard
Brynaert	Green	Kieffer	Morgan	Runbeck	Yarusso
Carlson	Gruenhagen	Kiel	Mullery	Sanders	Zellers
Clark	Gunther	Kresha	Murphy, E.	Savick	Zerwas
Cornish	Hackbarth	Laine	Murphy, M.	Sawatzky	Spk. Thissen
Daudt	Halverson	Leidiger	Myhra	Schoen	
Davnie	Hamilton	Lenczewski	Nelson	Schomacker	
Dean, M.	Hansen	Lesch	Newberger	Scott	
Dettmer	Hausman	Liebling	Newton	Selcer	

A quorum was present.

Davids, McNamara and Slocum were excused.

Dehn, R., was excused until 3:30 p.m. Erhardt was excused until 5:05 p.m. Mariani was excused until 6:15 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

Lesch from the Committee on Civil Law to which was referred:

H. F. No. 83, A bill for an act relating to housing; providing certain tenant remedies; providing single point of contact and various notice provisions relating to mortgage foreclosures; prohibiting mortgage foreclosure dual tracking; requiring mandatory mediation prior to commencing a mortgage foreclosure; amending Minnesota Statutes 2012, sections 504B.151, subdivision 1; 580.021, by adding a subdivision; 580.022, subdivision 1; 580.03; 580.041, subdivisions 1b, 2; proposing coding for new law in Minnesota Statutes, chapter 580.

Reported the same back with the following amendments:

Page 2, line 7, before the period, insert ", unless the landlord falls under the exception in subdivision 2"

Page 2, lines 16, 18, 19, 23, and 24, delete "servicer" and insert "party foreclosing on a mortgage"

Page 2, line 20, delete "coordinate all of the" and insert "provide"

Page 2, line 28, delete "servicer" and insert "borrower"

Page 4, line 14, delete "title" and insert "Appendix"

Page 5, line 4, delete "servicer" and insert "party foreclosing on a mortgage"

Page 5, line 5, delete "a mortgage servicer" and insert "the party foreclosing on a mortgage"

Page 5, line 17, delete "servicer or lender" and insert "party foreclosing on a mortgage"

Page 6, line 12, delete "and" and insert "or"

Page 7, lines 25 and 35, before "servicer" insert "mortgage"

Page 8, line 6, before "servicer" insert "mortgage"

Page 8, line 18, delete "servicer" and insert "party foreclosing on a mortgage" in both places

Page 8, lines 19, 22, 23, and 30, delete "servicer" and insert "party foreclosing on a mortgage"

Page 8, line 32, delete "servicers" and insert "parties foreclosing on a mortgage"

Page 9, lines 1, 15, and 22, delete "servicer" and insert "party foreclosing on a mortgage"

Page 9, line 32, after "creditors" insert "including: a promissory note, contracts for debt, statement of interest rates on the debts, delinquent payments, unpaid principal balance, a list of all collateral securing debts, a creditor's estimate of the value of the collateral, and debt restructuring programs available from the creditor"

Page 9, line 33, delete "creditor" and insert "party foreclosing on a mortgage"

Page 10, line 4, delete "as"

Page 10, line 5, delete "defined in subdivision 1,"

Page 10, line 7, delete "Creditor's" and insert "Party foreclosing on a mortgage;" and delete "creditor" and insert "party foreclosing on a mortgage"

Page 10, lines 15, 17, and 20, delete "creditor" and insert "party foreclosing on a mortgage"

Page 10, lines 16, 19, and 21, delete "creditor's"

Page 10, after line 22, insert:

"**Subd. 9. Review of good faith finding.** (a) Upon petition by a debtor or the party foreclosing on a mortgage, a court may review a mediator's affidavit of lack of good faith or a mediator's failure to file an affidavit of lack of good faith. The review is limited to whether the mediator committed an abuse of discretion in filing or failing to file an affidavit of lack of good faith. The petition must be reviewed by the court within ten days after the petition is filed.

(b) If the court finds that the mediator committed an abuse of discretion in filing, or failing to file, an affidavit of lack of good faith, the court may:

(1) reinstate mediation and the stay of mortgage foreclosure proceeding;

(2) order court supervised mediation; or

(3) allow the party foreclosing on a mortgage to proceed immediately with a mortgage foreclosure proceeding.

Subd. 10. Creditor not attending mediation meeting. (a) A party foreclosing on a mortgage that is notified of the initial mediation meeting is subject to and bound by a mediation agreement if the party foreclosing on a mortgage does not attend mediation meetings, unless the party foreclosing on a mortgage files a claim form. In lieu of attending a mediation meeting, a creditor may file a claim form with the mediator before the scheduled meeting. By filing a claim form, the party foreclosing on a mortgage agrees to be bound by a mediation agreement reached at the mediation meeting unless an objection is filed within ten days. The mediator must notify the party foreclosing on a mortgage who has filed claim forms of the terms of any agreement.

(b) A party foreclosing on a mortgage who has filed a claim form may serve a written objection to the terms of the mediation agreement on the mediator and the debtor within ten days of receiving notice of the mediation agreement. If a party foreclosing on a mortgage files an objection to the terms of a mediation agreement, the mediator shall meet with the debtor and party foreclosing on a mortgage within ten days of receiving the objection. If an objection is served, the mediator shall schedule a mediation meeting during the ten-day period following receipt of the objection.

Subd. 11. Inconsistent laws. The provisions of this section have precedence over any inconsistent or conflicting laws and statutes, including chapters 336, 580, and 581."

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

The report was adopted.

Johnson, S., from the Committee on Labor, Workplace and Regulated Industries to which was referred:

H. F. No. 92, A bill for an act relating to employment; regulating the minimum wage; amending Minnesota Statutes 2012, section 177.24, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 177.24, subdivision 1, is amended to read:

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

(1) "Large employer" means an enterprise whose annual gross volume of sales made or business done is not less than \$625,000 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota Fair Labor Standards Act, sections 177.21 to 177.35.

(2) "Small employer" means an enterprise whose annual gross volume of sales made or business done is less than \$625,000 (exclusive of excise taxes at the retail level that are separately stated) and covered by the Minnesota Fair Labor Standards Act, sections 177.21 to 177.35.

(b) Except as otherwise provided in sections 177.21 to 177.35, ~~every large employer must pay each employee wages at a rate of at least \$5.15 an hour beginning September 1, 1997, and at a rate of at least \$6.15 an hour beginning August 1, 2005. Every small employer must pay each employee at a rate of at least \$4.90 an hour beginning January 1, 1998, and at a rate of at least \$5.25 an hour beginning August 1, 2005;~~

(1) every large employer must pay each employee wages at a rate of at least:

(i) \$8.35 per hour beginning August 1, 2013;

(ii) \$9.45 per hour beginning August 1, 2014;

(iii) \$10.55 per hour beginning August 1, 2015; and

(iv) the rate established under paragraph (d) beginning January 1, 2016; and

(2) every small employer must pay each employee at a rate of at least:

(i) \$6.50 per hour beginning August 1, 2013;

(ii) \$7.75 per hour beginning August 1, 2014;

(iii) \$9.00 per hour beginning August 1, 2015; and

(iv) the rate established under paragraph (d) beginning January 1, 2016.

(c) Notwithstanding paragraph (b), during the first 90 consecutive days of employment, an employer may pay an employee under the age of 20 years a wage of \$4.90 an hour. ~~No employer may take any action to displace any employee, including a partial displacement through a reduction in hours, wages, or employment benefits, in order to hire an employee at the wage authorized in this paragraph at least:~~

(1) \$6.07 per hour beginning August 1, 2013;

(2) \$7.24 per hour beginning August 1, 2014;

(3) \$8.41 per hour beginning August 1, 2015; and

(4) the rate established under paragraph (d) beginning January 1, 2016.

No employer may take any action to displace an employee, including a partial displacement through a reduction in hours, wages, or employment benefits, in order to hire an employee at the wage authorized in this paragraph.

(d) No later than November 1 of each year, beginning in 2015, the commissioner shall determine the percentage increase in the rate of inflation, as measured by the Consumer Price Index for all urban consumers, United States city average, as determined by the United States Department of Labor, during the most recent 12-month period for which data is available. The minimum wage rates in paragraphs (b) and (c) are increased by the percentage calculated by the commissioner, rounded to the nearest cent. The new minimum wage rates determined under this paragraph take effect on the next January 1.

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

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

A roll call was requested and properly seconded on the adoption of the report from the Committee on Labor, Workplace and Regulated Industries relating to H. F. No. 92.

The question was taken on the adoption of the report from the Committee on Labor, Workplace and Regulated Industries relating to H. F. No. 92 and the roll was called. There were 69 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Allen	Erickson, R.	Huntley	Mahoney	Newton	Simon
Anzelc	Falk	Isaacson	Marquart	Norton	Simonson
Atkins	Faust	Johnson, C.	Masin	Paymar	Sundin
Benson, J.	Fischer	Johnson, S.	McNamar	Pelowski	Wagenius
Bernardy	Freiberg	Kahn	Melin	Persell	Ward, J.A.
Bly	Fritz	Laine	Metsa	Poppe	Ward, J.E.
Brynaert	Halverson	Lenczewski	Moran	Radinovich	Winkler
Carlson	Hansen	Lesch	Morgan	Rosenthal	Yarusso
Clark	Hausman	Liebling	Mullery	Savick	Spk. Thissen
Davnie	Hilstrom	Lien	Murphy, E.	Sawatzky	
Dill	Hornstein	Lillie	Murphy, M.	Schoen	
Dorholt	Hortman	Loeffler	Nelson	Selcer	

Those who voted in the negative were:

Abeler	Beard	Dettmer	Franson	Hackbarth	Howe
Albright	Benson, M.	Drazkowski	Garofalo	Hamilton	Johnson, B.
Anderson, M.	Cornish	Erickson, S.	Green	Hertaus	Kelly
Anderson, P.	Daudt	Fabian	Gruenhagen	Holberg	Kieffer
Barrett	Dean, M.	FitzSimmons	Gunther	Hoppe	Kiel

Kresha	McDonald	O'Neill	Runbeck	Theis	Woodard
Leidiger	Myhra	Peppin	Sanders	Torkelson	Zellers
Lohmer	Newberger	Petersburg	Schomacker	Uglen	Zerwas
Loon	Nornes	Pugh	Scott	Urdahl	
Mack	O'Driscoll	Quam	Swedzinski	Wills	

The motion prevailed and the report from the Committee on Labor, Workplace and Regulated Industries relating to H. F. No. 92 was adopted.

Hornstein from the Committee on Transportation Finance to which was referred:

H. F. No. 152, A bill for an act relating to transportation; establishing a transportation ombudsperson; amending Minnesota Statutes 2012, section 174.02, by adding a subdivision.

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

The report was adopted.

Liebling from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 176, A bill for an act relating to human services; expanding dental services for the disabled; amending Minnesota Statutes 2012, section 256B.0625, subdivision 9.

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.

Liebling from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 195, A bill for an act relating to health; allowing a licensed dietitian or licensed nutritionist to adhere to a practice guideline or protocol for a legend drug prescribed by a physician; amending Minnesota Statutes 2012, section 151.37, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 148.

Reported the same back with the following amendments:

Page 1, line 11, after "protocol" insert "and the protocol"

Page 1, line 22, delete "148.624" and insert "148.634"

With the recommendation that when so amended the bill pass.

The report was adopted.

Liebling from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 213, A bill for an act relating to human services; modifying medical assistance co-payment requirements; amending Minnesota Statutes 2012, section 256B.0631, subdivision 1.

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.

Liebling from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 215, A bill for an act relating to health; permitting licensed health care professionals to order use of physical agent modalities, electrical stimulation, and ultrasound devices; amending Minnesota Statutes 2012, section 148.6440, subdivision 1.

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

The report was adopted.

Dill from the Committee on Environment and Natural Resources Policy to which was referred:

H. F. No. 228, A bill for an act relating to public safety; creating increased penalties for wildfire arson that damages multiple buildings or dwellings, acreage, or crops or causes demonstrable bodily harm; adding restitution provisions; amending Minnesota Statutes 2012, section 609.5641, subdivisions 1, 3, by adding a subdivision.

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

The report was adopted.

Liebling from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 262, A bill for an act relating to health; creating a grant program for spinal cord injury and traumatic brain injury research; establishing the spinal cord and traumatic brain injury advisory committee; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 144.

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

The report was adopted.

Mullery from the Committee on Early Childhood and Youth Development Policy to which was referred:

H. F. No. 296, A bill for an act relating to human services; providing an exception to the drug formulary; extending case management services for young adults with severe emotional disturbance; appropriating money for various mental health services and training; amending Minnesota Statutes 2012, sections 62Q.527, subdivision 4; 245.4881, subdivision 1.

Reported the same back with the following amendments:

Page 3, line 10, after the period, insert "A third-party reimbursement source does not include a public school within the meaning under Minnesota Statutes, section 120A.20, subdivision 1. The commissioner may not require a public school to incur any additional financial obligations as a result of a grant under this paragraph."

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.

Mullery from the Committee on Early Childhood and Youth Development Policy to which was referred:

H. F. No. 393, A bill for an act relating to education finance; authorizing compensatory revenue to be spent on early education efforts, including parental outreach; amending Minnesota Statutes 2012, section 126C.15, subdivisions 1, 2.

Reported the same back with the following amendments:

Page 1, line 12, after "for" insert "entry into school whether the student first enrolls in" and after "kindergarten" insert "or first grade"

Page 2, line 14, after the comma, insert "voluntary home visits under section 124D.13, subdivision 4,"

Page 2, line 21, delete "2013" and insert "2014"

Page 3, line 14, delete "2013" and insert "2014"

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

The report was adopted.

Clark from the Committee on Housing Finance and Policy to which was referred:

H. F. No. 528, A bill for an act relating to capital investment; appropriating money for public housing rehabilitation; authorizing the sale and issuance of state bonds.

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

The report was adopted.

Liebling from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 582, A bill for an act relating to health; requiring accreditation of advanced diagnostic imaging services operating in the state; amending Minnesota Statutes 2012, section 144.1225, subdivision 2.

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

The report was adopted.

Simon from the Committee on Elections to which was referred:

H. F. No. 591, A bill for an act relating to elections; modifying procedures related to vacancies in nomination for partisan office; appropriating money; amending Minnesota Statutes 2012, sections 204B.13, subdivisions 1, 2, 5, by adding subdivisions; 204D.19, by adding a subdivision; repealing Minnesota Statutes 2012, sections 204B.12, subdivision 2a; 204B.13, subdivision 6.

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

The report was adopted.

Liebling from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 607, A bill for an act relating to health; changing provisions for optometrists; amending Minnesota Statutes 2012, section 148.56, subdivision 1, by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 16, before the period, insert "under Minnesota law"

Page 2, after line 16, insert:

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

With the recommendation that when so amended the bill pass.

The report was adopted.

Liebling from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 672, A bill for an act relating to health; establishing a system to deal with acute strokes; proposing coding for new law in Minnesota Statutes, chapter 144.

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.

Simon from the Committee on Elections to which was referred:

H. F. No. 687, A bill for an act relating to elections; changing the date of the state primary from August to June; changing the date of primary elections conducted by a political subdivision, in certain circumstances; amending Minnesota Statutes 2012, sections 204B.14, subdivisions 2, 4; 204B.21, subdivision 1; 204D.03, subdivision 1; 204D.09, subdivision 1; 204D.28, subdivision 5; 205.065, subdivisions 1, 2; 205A.03, subdivisions 1, 2; 205A.06, subdivision 1a; 205A.11, subdivision 2a; 206.61, subdivision 5; 206.82, subdivision 2.

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

The report was adopted.

Dill from the Committee on Environment and Natural Resources Policy to which was referred:

H. F. No. 737, A bill for an act relating to environment; authorizing certain expenditures from clean water fund; modifying reporting requirements; modifying Petroleum Tank Release Cleanup Act; repealing obsolete rules; appropriating money; amending Minnesota Statutes 2012, sections 114D.50, subdivision 4; 115A.1320, subdivision 1; 115B.20, subdivision 6; 115B.28, subdivision 1; 115C.02, subdivision 4, by adding a subdivision; 115C.08, subdivision 4, by adding a subdivision; 115D.10; 116.48, subdivision 6; 473.846; repealing Minnesota Rules, parts 7021.0010, subparts 1, 2, 4, 5; 7021.0020; 7021.0030; 7021.0040; 7021.0050, subpart 5; 9210.0300; 9210.0310; 9210.0320; 9210.0330; 9210.0340; 9210.0350; 9210.0360; 9210.0370; 9210.0380; 9220.0530, subpart 6.

Reported the same back with the following amendments:

Page 1, after line 12, insert:

"ARTICLE 1
ENVIRONMENTAL POLICY"

Page 2, after line 25, insert:

"Sec. 2. **[115.84] WASTEWATER LABORATORY CERTIFICATION.**

Subdivision 1. **Wastewater laboratory certification required.** (a) Laboratories performing wastewater or water analytical laboratory work, the results of which are reported to the agency to determine compliance with a national pollutant discharge elimination system (NPDES) permit condition or other regulatory document, must be certified according to this section.

(b) This section does not apply to:

(1) laboratories that are private and for-profit;

(2) laboratories that perform drinking water analyses; or

(3) laboratories that perform remediation program analyses, such as Superfund or petroleum analytical work.

(c) Until adoption of rules under subdivision 2, laboratories required to be certified under this section and submitting data to the agency must register by submitting registration information required by the agency or be certified or approved by a recognized certification authority, as required by agency programs.

Subd 2. **Rules.** The agency may adopt rules to govern certification of laboratories according to this section. Notwithstanding section 16A.1283, the agency may adopt rules establishing fees.

Subd. 3. **Fees.** (a) Until the agency adopts a rule establishing fees for certification, the agency shall collect fees in amounts necessary to cover the reasonable costs of the certification program, including reviewing applications, issuing certifications, and conducting audits and compliance assistance.

(b) Fees under this section must be based on the number, type, and complexity of analytical methods that laboratories are certified to perform.

(c) Revenue from fees charged by the agency for certification shall be credited to the environmental fund.

Subd. 4. **Enforcement.** (a) The commissioner may deny, suspend, or revoke wastewater laboratory certification for, but is not limited to, any of the following reasons: fraud, failure to follow applicable requirements, failure to respond to documented deficiencies or complete corrective actions necessary to address deficiencies, failure to pay certification fees, or other violations of federal or state law.

(b) This section and the rules adopted under it may be enforced by any means provided in section 115.071."

Page 6, line 20, delete "The"

Page 6, delete lines 21 and 22

Page 6, line 23, delete everything before "A"

Page 7, delete lines 26 and 27 and insert:

"(1) request the commissioner of administration to dispose of the property according to sections 16B.281 to 16B.287, subject to conditions the commissioner"

Page 9, after line 29, insert:

"ARTICLE 2
SANITARY DISTRICTS

Section 1. Minnesota Statutes 2012, section 275.066, is amended to read:

275.066 SPECIAL TAXING DISTRICTS; DEFINITION.

For the purposes of property taxation and property tax state aids, the term "special taxing districts" includes the following entities:

- (1) watershed districts under chapter 103D;
- (2) sanitary districts under sections ~~115.18 to 115.37~~ 442A.01 to 442A.29;
- (3) regional sanitary sewer districts under sections 115.61 to 115.67;
- (4) regional public library districts under section 134.201;
- (5) park districts under chapter 398;
- (6) regional railroad authorities under chapter 398A;
- (7) hospital districts under sections 447.31 to 447.38;
- (8) St. Cloud Metropolitan Transit Commission under sections 458A.01 to 458A.15;
- (9) Duluth Transit Authority under sections 458A.21 to 458A.37;
- (10) regional development commissions under sections 462.381 to 462.398;
- (11) housing and redevelopment authorities under sections 469.001 to 469.047;

- (12) port authorities under sections 469.048 to 469.068;
- (13) economic development authorities under sections 469.090 to 469.1081;
- (14) Metropolitan Council under sections 473.123 to 473.549;
- (15) Metropolitan Airports Commission under sections 473.601 to 473.680;
- (16) Metropolitan Mosquito Control Commission under sections 473.701 to 473.716;
- (17) Morrison County Rural Development Financing Authority under Laws 1982, chapter 437, section 1;
- (18) Croft Historical Park District under Laws 1984, chapter 502, article 13, section 6;
- (19) East Lake County Medical Clinic District under Laws 1989, chapter 211, sections 1 to 6;
- (20) Floodwood Area Ambulance District under Laws 1993, chapter 375, article 5, section 39;
- (21) Middle Mississippi River Watershed Management Organization under sections 103B.211 and 103B.241;
- (22) emergency medical services special taxing districts under section 144F.01;
- (23) a county levying under the authority of section 103B.241, 103B.245, or 103B.251;
- (24) Southern St. Louis County Special Taxing District; Chris Jensen Nursing Home under Laws 2003, First Special Session chapter 21, article 4, section 12;
- (25) an airport authority created under section 360.0426; and
- (26) any other political subdivision of the state of Minnesota, excluding counties, school districts, cities, and towns, that has the power to adopt and certify a property tax levy to the county auditor, as determined by the commissioner of revenue.

Sec. 2. **[442A.01] DEFINITIONS.**

Subdivision 1. Applicability. For the purposes of this chapter, the terms defined in this section have the meanings given.

Subd. 2. Chief administrative law judge. "Chief administrative law judge" means the chief administrative law judge of the Office of Administrative Hearings or the delegate of the chief administrative law judge under section 14.48.

Subd. 3. District. "District" means a sanitary district created under this chapter or under Minnesota Statutes 2012, sections 115.18 to 115.37.

Subd. 4. Municipality. "Municipality" means a city, however organized.

Subd. 5. Property owner. "Property owner" means the fee owner of land, or the beneficial owner of land whose interest is primarily one of possession and enjoyment. Property owner includes, but is not limited to, vendees under a contract for deed and mortgagors. Any reference to a percentage of property owners means in number.

Subd. 6. **Related governing body.** "Related governing body" means the governing body of a related governmental subdivision and, in the case of an organized town, means the town board.

Subd. 7. **Related governmental subdivision.** "Related governmental subdivision" means a municipality or organized town wherein there is a territorial unit of a district or, in the case of an unorganized area, the county.

Subd. 8. **Statutory city.** "Statutory city" means a city organized as provided by chapter 412, under the plan other than optional.

Subd. 9. **Territorial unit.** "Territorial unit" means all that part of a district situated within a single municipality, within a single organized town outside of a municipality, or, in the case of an unorganized area, within a single county.

Sec. 3. **[442A.015] APPLICABILITY.**

All new sanitary district formations proposed and all sanitary districts previously formed under Minnesota Statutes 2012, sections 115.18 to 115.37, must comply with this chapter, including annexations to, detachments from, and resolutions of sanitary districts previously formed under Minnesota Statutes 2012, sections 115.18 to 115.37.

Sec. 4. **[442A.02] SANITARY DISTRICTS; PROCEDURES AND AUTHORITY.**

Subdivision 1. **Duty of chief administrative law judge.** The chief administrative law judge shall conduct proceedings, make determinations, and issue orders for the creation of a sanitary district formed under this chapter or the annexation, detachment, or dissolution of a sanitary district previously formed under Minnesota Statutes 2012, sections 115.18 to 115.37.

Subd. 2. **Consolidation of proceedings.** The chief administrative law judge may order the consolidation of separate proceedings in the interest of economy and expedience.

Subd. 3. **Contracts, consultants.** The chief administrative law judge may contract with regional, state, county, or local planning commissions and hire expert consultants to provide specialized information and assistance.

Subd. 4. **Powers of conductor of proceedings.** Any person conducting a proceeding under this chapter may administer oaths and affirmations; receive testimony of witnesses, and the production of papers, books, and documents; examine witnesses; and receive and report evidence. Upon the written request of a presiding administrative law judge or a party, the chief administrative law judge may issue a subpoena for the attendance of a witness or the production of books, papers, records, or other documents material to any proceeding under this chapter. The subpoena is enforceable through the district court in the district in which the subpoena is issued.

Subd. 5. **Rulemaking authority.** The chief administrative law judge may adopt rules that are reasonably necessary to carry out the duties and powers imposed upon the chief administrative law judge under this chapter. The chief administrative law judge may initially adopt rules according to section 14.386. Notwithstanding section 16A.1283, the chief administrative law judge may adopt rules establishing fees.

Subd. 6. **Schedule of filing fees.** The chief administrative law judge may prescribe by rule a schedule of filing fees for any petitions filed under this chapter.

Subd. 7. **Request for hearing transcripts; costs.** Any party may request the chief administrative law judge to cause a transcript of the hearing to be made. Any party requesting a copy of the transcript is responsible for its costs.

Subd. 8. **Compelled meetings; report.** (a) In any proceeding under this chapter, the chief administrative law judge or conductor of the proceeding may at any time in the process require representatives from any petitioner, property owner, or involved city, town, county, political subdivision, or other governmental entity to meet together to discuss resolution of issues raised by the petition or order that confers jurisdiction on the chief administrative law judge and other issues of mutual concern. The chief administrative law judge or conductor of the proceeding may determine which entities are required to participate in these discussions. The chief administrative law judge or conductor of the proceeding may require that the parties meet at least three times during a 60-day period. The parties shall designate a person to report to the chief administrative law judge or conductor of the proceeding on the results of the meetings immediately after the last meeting. The parties may be granted additional time at the discretion of the chief administrative law judge or conductor of the proceedings.

(b) Any proposed resolution or settlement of contested issues that results in a sanitary district formation, annexation, detachment, or dissolution; places conditions on any future sanitary district formation, annexation, detachment, or dissolution; or results in the withdrawal of an objection to a pending proceeding or the withdrawal of a pending proceeding must be filed with the chief administrative law judge and is subject to the applicable procedures and statutory criteria of this chapter.

Subd. 9. **Data from state agencies.** The chief administrative law judge may request information from any state department or agency to assist in carrying out the chief administrative law judge's duties under this chapter. The department or agency shall promptly furnish the requested information.

Subd. 10. **Permanent official record.** The chief administrative law judge shall provide information about sanitary district creations, annexations, detachments, and dissolutions to the Minnesota Pollution Control Agency. The Minnesota Pollution Control Agency is responsible for maintaining the official record, including all documentation related to the processes.

Subd. 11. **Shared program costs and fee revenue.** The chief administrative law judge and the Minnesota Pollution Control Agency shall agree on an amount to be transferred from the Minnesota Pollution Control Agency to the chief administrative law judge to pay for administration of this chapter, including publication and notification costs. Sanitary district fees collected by the chief administrative law judge shall be deposited in the environmental fund.

EFFECTIVE DATE. Subdivision 5 is effective the day following final enactment.

Sec. 5. **[442A.03] FILING OF MAPS IN SANITARY DISTRICT PROCEEDINGS.**

Any party initiating a sanitary district proceeding that includes platted land shall file with the chief administrative law judge maps which are necessary to support and identify the land description. The maps shall include copies of plats.

Sec. 6. **[442A.04] SANITARY DISTRICT CREATION.**

Subdivision 1. **Sanitary district creation.** (a) A sanitary district may be created under this chapter for any territory embracing an area or a group of two or more adjacent areas, whether contiguous or separate, but not situated entirely within the limits of a single municipality. The proposed sanitary district must promote the public health and welfare by providing an adequate and efficient system and means of collecting, conveying, pumping, treating, and disposing of domestic sewage and garbage and industrial wastes within the district. When the chief administrative law judge or the Minnesota Pollution Control Agency finds that there is need throughout the territory for the accomplishment of these purposes; that these purposes can be effectively accomplished on an equitable basis by a district if created; and that the creation and maintenance of a district will be administratively feasible and in furtherance of the public health, safety, and welfare, the chief administrative law judge shall make an order creating the sanitary district.

(b) Notwithstanding paragraph (a), no district shall be created within 25 miles of the boundary of any city of the first class without the approval of the governing body thereof and the approval of the governing body of each and every municipality in the proposed district by resolution filed with the chief administrative law judge.

(c) If the chief administrative law judge and the Minnesota Pollution Control Agency disagree on the need to create a sanitary district, they must determine whether not allowing the sanitary district formation will have a detrimental effect on the environment. If it is determined that the sanitary district formation will prevent environmental harm, the sanitary district creation or connection to an existing wastewater treatment system must occur.

Subd. 2. Proceeding to create sanitary district. (a) A proceeding for the creation of a district may be initiated by a petition to the chief administrative law judge containing the following:

(1) a request for creation of the proposed district;

(2) the name proposed for the district, to include the words "sanitary district";

(3) a legal description of the territory of the proposed district, including justification for inclusion or exclusion for all parcels;

(4) addresses of every property owner within the proposed district boundaries as provided by the county auditor, with certification from the county auditor; two sets of address labels for said owners; and a list of e-mail addresses for said owners, if available;

(5) a statement showing the existence in the territory of the conditions requisite for creation of a district as prescribed in subdivision 1;

(6) a statement of the territorial units represented by and the qualifications of the respective signers; and

(7) the post office address of each signer, given under the signer's signature.

A petition may consist of separate writings of like effect, each signed by one or more qualified persons, and all such writings, when filed, shall be considered together as a single petition.

(b) Petitioners must conduct and pay for a public meeting to inform citizens of the proposed creation of the district. At the meeting, information must be provided, including a description of the district's proposed structure, bylaws, territory, ordinances, budget, and charges and a description of the territory of the proposed district, including justification for inclusion or exclusion for all parcels. Notice of the meeting must be published for two successive weeks in a qualified newspaper, as defined under chapter 331A, published within the territory of the proposed district or, if there is no qualified newspaper published within the territory, in a qualified newspaper of general circulation in the territory, and must be posted for two weeks in each territorial unit of the proposed district and on the Web site of the proposed district, if one exists. Notice of the meeting must be mailed or e-mailed at least three weeks prior to the meeting to all property tax billing addresses for all parcels included in the proposed district. The following must be submitted to the chief administrative law judge with the petition:

(1) a record of the meeting, including copies of all information provided at the meeting;

(2) a copy of the mailing list provided by the county auditor and used to notify property owners of the meeting;

(3) a copy of the e-mail list used to notify property owners of the meeting;

(4) the printer's affidavit of publication of public meeting notice;

(5) an affidavit of posting the public meeting notice with information on dates and locations of posting; and

(6) the minutes or other record of the public meeting documenting that the following topics were discussed: printer's affidavit of publication of each resolution, with a copy of the resolution from the newspaper attached; and the affidavit of resolution posting on the town or proposed district Web site.

(c) Every petition must be signed as follows:

(1) for each municipality wherein there is a territorial unit of the proposed district, by an authorized officer pursuant to a resolution of the municipal governing body;

(2) for each organized town wherein there is a territorial unit of the proposed district, by an authorized officer pursuant to a resolution of the town board;

(3) for each county wherein there is a territorial unit of the proposed district consisting of an unorganized area, by an authorized officer pursuant to a resolution of the county board or by at least 20 percent of the voters residing and owning land within the unit.

(d) Each resolution must be published in the official newspaper of the governing body adopting it and becomes effective 40 days after publication, unless within said period there shall be filed with the governing body a petition signed by qualified electors of a territorial unit of the proposed district, equal in number to five percent of the number of electors voting at the last preceding election of the governing body, requesting a referendum on the resolution, in which case the resolution may not become effective until approved by a majority of the qualified electors voting at a regular election or special election that the governing body may call. The notice of an election and the ballot to be used must contain the text of the resolution followed by the question: "Shall the above resolution be approved?"

(e) If any signer is alleged to be a landowner in a territorial unit, a statement as to the signer's landowner status as shown by the county auditor's tax assessment records, certified by the auditor, shall be attached to or endorsed upon the petition.

(f) At any time before publication of the public notice required in subdivision 3, additional signatures may be added to the petition or amendments of the petition may be made to correct or remedy any error or defect in signature or otherwise except a material error or defect in the description of the territory of the proposed district. If the qualifications of any signer of a petition are challenged, the chief administrative law judge shall determine the challenge forthwith on the allegations of the petition, the county auditor's certificate of land ownership, and such other evidence as may be received.

Subd. 3. Notice of intent to create sanitary district. (a) Upon receipt of a petition and the record of the public meeting required under subdivision 2, the chief administrative law judge shall publish a notice of intent to create the proposed sanitary district in the State Register and mail or e-mail information of that publication to each property owner in the affected territory at the owner's address as given by the county auditor. The information must state the date that the notice will appear in the State Register and give the Web site location for the State Register. The notice must:

(1) describe the petition for creation of the district;

(2) describe the territory affected by the petition;

(3) allow 30 days for submission of written comments on the petition;

(4) state that a person who objects to the petition may submit a written request for hearing to the chief administrative law judge within 30 days of the publication of the notice in the State Register; and

(5) state that if a timely request for hearing is not received, the chief administrative law judge may make a decision on the petition.

(b) If 50 or more individual timely requests for hearing are received, the chief administrative law judge must hold a hearing on the petition according to the contested case provisions of chapter 14. The sanitary district proposers are responsible for paying all costs involved in publicizing and holding a hearing on the petition.

Subd. 4. **Hearing time, place.** If a hearing is required pursuant to subdivision 3, the chief administrative law judge shall designate a time and place for a hearing according to section 442A.13.

Subd. 5. **Relevant factors.** (a) In arriving at a decision, the chief administrative law judge shall consider the following factors:

(1) administrative feasibility;

(2) public health, safety, and welfare impacts;

(3) alternatives for managing the public health impacts;

(4) equities of the petition proposal;

(5) contours of the petition proposal; and

(6) public notification of and interaction on the petition proposal.

(b) Based on the factors in paragraph (a), the chief administrative law judge may order the sanitary district creation on finding that:

(1) the proposed district is administratively feasible;

(2) the proposed district provides a long-term, equitable solution to pollution problems affecting public health, safety, and welfare;

(3) property owners within the proposed district were provided notice of the proposed district and opportunity to comment on the petition proposal; and

(4) the petition complied with the requirements of all applicable statutes and rules pertaining to sanitary district creation.

(c) The chief administrative law judge may alter the boundaries of the proposed sanitary district by increasing or decreasing the area to be included or may exclude property that may be better served by another unit of government. The chief administrative law judge may also alter the boundaries of the proposed district so as to follow visible, clearly recognizable physical features for municipal boundaries.

(d) The chief administrative law judge may deny sanitary district creation if the area, or a part thereof, would be better served by an alternative method.

(e) In all cases, the chief administrative law judge shall set forth the factors that are the basis for the decision.

Subd. 6. **Findings; order.** After the public notice period or the public hearing, if required under subdivision 3, and based on the petition, any public comments received, and, if a hearing was held, the hearing record, the chief administrative law judge shall make findings of fact and conclusions determining whether the conditions requisite for the creation of a district exist in the territory described in the petition. If the chief administrative law judge finds that the conditions exist, the judge may make an order creating a district for the territory described in that petition under the name proposed in the petition or such other name, including the words "sanitary district," as the judge deems appropriate.

Subd. 7. **Denial of petition.** If the chief administrative law judge, after conclusion of the public notice period or holding a hearing, if required, determines that the creation of a district in the territory described in the petition is not warranted, the judge shall make an order denying the petition. The chief administrative law judge shall give notice of the denial by mail or e-mail to each signer of the petition. No petition for the creation of a district consisting of the same territory shall be entertained within a year after the date of an order under this subdivision. Nothing in this subdivision precludes action on a petition for the creation of a district embracing part of the territory with or without other territory.

Subd. 8. **Notice of order creating sanitary district.** The chief administrative law judge shall publish a notice in the State Register of the final order creating a sanitary district, referring to the date of the order and describing the territory of the district, and shall mail or e-mail information of the publication to each property owner in the affected territory at the owner's address as given by the county auditor. The information must state the date that the notice will appear in the State Register and give the Web site location for the State Register. The notice must:

(1) describe the petition for creation of the district;

(2) describe the territory affected by the petition; and

(3) state that a certified copy of the order shall be delivered to the secretary of state for filing ten days after public notice of the order in the State Register.

Subd. 9. **Filing.** Ten days after public notice of the order in the State Register, the chief administrative law judge shall deliver a certified copy of the order to the secretary of state for filing. Thereupon, the creation of the district is deemed complete, and it shall be conclusively presumed that all requirements of law relating thereto have been complied with. The chief administrative law judge shall also transmit a certified copy of the order for filing to the county auditor of each county and the clerk or recorder of each municipality and organized town wherein any part of the territory of the district is situated and to the secretary of the district board when elected.

Sec. 7. **[442A.05] SANITARY DISTRICT ANNEXATION.**

Subdivision 1. **Annexation.** (a) A sanitary district annexation may occur under this chapter for any area adjacent to an existing district upon a petition to the chief administrative law judge stating the grounds therefor as provided in this section.

(b) The proposed annexation area must embrace an area or a group of two or more adjacent areas, whether contiguous or separate, but not situated entirely within the limits of a single municipality. The proposed annexation must promote public health and welfare by providing an adequate and efficient system and means of collecting, conveying, pumping, treating, and disposing of domestic sewage and garbage and industrial wastes within the district. When the chief administrative law judge or the Minnesota Pollution Control Agency finds that there is need throughout the territory for the accomplishment of these purposes, that these purposes can be effectively accomplished on an equitable basis by annexation to a district, and that the creation and maintenance of such annexation will be administratively feasible and in furtherance of the public health, safety, and welfare, the chief administrative law judge shall make an order for sanitary district annexation.

(c) Notwithstanding paragraph (b), no annexation to a district shall be approved within 25 miles of the boundary of any city of the first class without the approval of the governing body thereof and the approval of the governing body of each and every municipality in the proposed annexation area by resolution filed with the chief administrative law judge.

(d) If the chief administrative law judge and the Minnesota Pollution Control Agency disagree on the need for a sanitary district annexation, they must determine whether not allowing the sanitary district annexation will have a detrimental effect on the environment. If it is determined that the sanitary district annexation will prevent environmental harm, the sanitary district annexation or connection to an existing wastewater treatment system must occur.

Subd. 2. **Proceeding for annexation.** (a) A proceeding for sanitary district annexation may be initiated by a petition to the chief administrative law judge containing the following:

(1) a request for proposed annexation to a sanitary district;

(2) a legal description of the territory of the proposed annexation, including justification for inclusion or exclusion for all parcels;

(3) addresses of every property owner within the existing sanitary district and proposed annexation area boundaries as provided by the county auditor, with certification from the county auditor; two sets of address labels for said owners; and a list of e-mail addresses for said owners, if available;

(4) a statement showing the existence in such territory of the conditions requisite for annexation to a district as prescribed in subdivision 1;

(5) a statement of the territorial units represented by and qualifications of the respective signers; and

(6) the post office address of each signer, given under the signer's signature.

A petition may consist of separate writings of like effect, each signed by one or more qualified persons, and all such writings, when filed, shall be considered together as a single petition.

(b) Petitioners must conduct and pay for a public meeting to inform citizens of the proposed annexation to a sanitary district. At the meeting, information must be provided, including a description of the existing sanitary district's structure, bylaws, territory, ordinances, budget, and charges; a description of the existing sanitary district's territory; and a description of the territory of the proposed annexation area, including justification for inclusion or exclusion for all parcels for the annexation area. Notice of the meeting must be published for two successive weeks in a qualified newspaper, as defined under chapter 331A, published within the territories of the existing sanitary district and proposed annexation area or, if there is no qualified newspaper published within those territories, in a qualified newspaper of general circulation in the territories, and must be posted for two weeks in each territorial unit of the existing sanitary district and proposed annexation area and on the Web site of the existing sanitary district, if one exists. Notice of the meeting must be mailed or e-mailed at least three weeks prior to the meeting to all property tax billing addresses for all parcels included in the existing sanitary district and proposed annexation area. The following must be submitted to the chief administrative law judge with the petition:

(1) a record of the meeting, including copies of all information provided at the meeting;

(2) a copy of the mailing list provided by the county auditor and used to notify property owners of the meeting;

(3) a copy of the e-mail list used to notify property owners of the meeting;

(4) the printer's affidavit of publication of the public meeting notice;

(5) an affidavit of posting the public meeting notice with information on dates and locations of posting; and

(6) the minutes or other record of the public meeting documenting that the following topics were discussed: printer's affidavit of publication of each resolution, with copy of resolution from newspaper attached; and affidavit of resolution posting on town or existing sanitary district Web site.

(c) Every petition must be signed as follows:

(1) by an authorized officer of the existing sanitary district pursuant to a resolution of the board;

(2) for each municipality wherein there is a territorial unit of the proposed annexation area, by an authorized officer pursuant to a resolution of the municipal governing body;

(3) for each organized town wherein there is a territorial unit of the proposed annexation area, by an authorized officer pursuant to a resolution of the town board; and

(4) for each county wherein there is a territorial unit of the proposed annexation area consisting of an unorganized area, by an authorized officer pursuant to a resolution of the county board or by at least 20 percent of the voters residing and owning land within the unit.

(d) Each resolution must be published in the official newspaper of the governing body adopting it and becomes effective 40 days after publication, unless within said period there shall be filed with the governing body a petition signed by qualified electors of a territorial unit of the proposed annexation area, equal in number to five percent of the number of electors voting at the last preceding election of the governing body, requesting a referendum on the resolution, in which case the resolution may not become effective until approved by a majority of the qualified electors voting at a regular election or special election that the governing body may call. The notice of an election and the ballot to be used must contain the text of the resolution followed by the question: "Shall the above resolution be approved?"

(e) If any signer is alleged to be a landowner in a territorial unit, a statement as to the signer's landowner status as shown by the county auditor's tax assessment records, certified by the auditor, shall be attached to or endorsed upon the petition.

(f) At any time before publication of the public notice required in subdivision 4, additional signatures may be added to the petition or amendments of the petition may be made to correct or remedy any error or defect in signature or otherwise except a material error or defect in the description of the territory of the proposed annexation area. If the qualifications of any signer of a petition are challenged, the chief administrative law judge shall determine the challenge forthwith on the allegations of the petition, the county auditor's certificate of land ownership, and such other evidence as may be received.

Subd. 3. **Joint petition.** Different areas may be annexed to a district in a single proceeding upon a joint petition therefor and upon compliance with the provisions of subdivisions 1 and 2 with respect to the area affected so far as applicable.

Subd. 4. **Notice of intent for sanitary district annexation.** (a) Upon receipt of a petition and the record of public meeting required under subdivision 2, the chief administrative law judge shall publish a notice of intent for sanitary district annexation in the State Register and mail or e-mail information of the publication to each property owner in the affected territory at the owner's address as given by the county auditor. The information must state the date that the notice will appear in the State Register and give the Web site location for the State Register. The notice must:

(1) describe the petition for sanitary district annexation;

(2) describe the territory affected by the petition;

(3) allow 30 days for submission of written comments on the petition;

(4) state that a person who objects to the petition may submit a written request for hearing to the chief administrative law judge within 30 days of the publication of the notice in the State Register; and

(5) state that if a timely request for hearing is not received, the chief administrative law judge may make a decision on the petition.

(b) If 50 or more individual timely requests for hearing are received, the chief administrative law judge must hold a hearing on the petition according to the contested case provisions of chapter 14. The sanitary district or annexation area proposers are responsible for paying all costs involved in publicizing and holding a hearing on the petition.

Subd. 5. **Hearing time, place.** If a hearing is required under subdivision 4, the chief administrative law judge shall designate a time and place for a hearing according to section 442A.13.

Subd. 6. **Relevant factors.** (a) In arriving at a decision, the chief administrative law judge shall consider the following factors:

(1) administrative feasibility;

(2) public health, safety, and welfare impacts;

(3) alternatives for managing the public health impacts;

(4) equities of the petition proposal;

(5) contours of the petition proposal; and

(6) public notification of and interaction on the petition proposal.

(b) Based upon these factors, the chief administrative law judge may order the annexation to the sanitary district on finding that:

(1) the sanitary district is knowledgeable and experienced in delivering sanitary sewer services to ratepayers and has provided quality service in a fair and cost-effective manner;

(2) the proposed annexation provides a long-term, equitable solution to pollution problems affecting public health, safety, and welfare;

(3) property owners within the existing sanitary district and proposed annexation area were provided notice of the proposed district and opportunity to comment on the petition proposal; and

(4) the petition complied with the requirements of all applicable statutes and rules pertaining to sanitary district annexation.

(c) The chief administrative law judge may alter the boundaries of the proposed annexation area by increasing or decreasing the area to be included or may exclude property that may be better served by another unit of government. The chief administrative law judge may also alter the boundaries of the proposed annexation area so as to follow visible, clearly recognizable physical features for municipal boundaries.

(d) The chief administrative law judge may deny sanitary district annexation if the area, or a part thereof, would be better served by an alternative method.

(e) In all cases, the chief administrative law judge shall set forth the factors that are the basis for the decision.

Subd. 7. **Findings; order.** (a) After the public notice period or the public hearing, if required under subdivision 4, and based on the petition, any public comments received, and, if a hearing was held, the hearing record, the chief administrative law judge shall make findings of fact and conclusions determining whether the conditions requisite for the sanitary district annexation exist in the territory described in the petition. If the chief administrative law judge finds that conditions exist, the judge may make an order for sanitary district annexation for the territory described in the petition.

(b) All taxable property within the annexed area shall be subject to taxation for any existing bonded indebtedness or other indebtedness of the district for the cost of acquisition, construction, or improvement of any disposal system or other works or facilities beneficial to the annexed area to such extent as the chief administrative law judge may determine to be just and equitable, to be specified in the order for annexation. The proper officers shall levy further taxes on such property accordingly.

Subd. 8. **Denial of petition.** If the chief administrative law judge, after conclusion of the public notice period or holding a hearing, if required, determines that the sanitary district annexation in the territory described in the petition is not warranted, the judge shall make an order denying the petition. The chief administrative law judge shall give notice of the denial by mail or e-mail to each signer of the petition. No petition for a sanitary district annexation consisting of the same territory shall be entertained within a year after the date of an order under this subdivision. Nothing in this subdivision precludes action on a petition for a sanitary district annexation embracing part of the territory with or without other territory.

Subd. 9. **Notice of order for sanitary district annexation.** The chief administrative law judge shall publish in the State Register a notice of the final order for sanitary district annexation, referring to the date of the order and describing the territory of the annexation area, and shall mail or e-mail information of the publication to each property owner in the affected territory at the owner's address as given by the county auditor. The information must state the date that the notice will appear in the State Register and give the Web site location for the State Register. The notice must:

(1) describe the petition for annexation to the district;

(2) describe the territory affected by the petition; and

(3) state that a certified copy of the order shall be delivered to the secretary of state for filing ten days after public notice of the order in the State Register.

Subd. 10. **Filing.** Ten days after public notice of the order in the State Register, the chief administrative law judge shall deliver a certified copy of the order to the secretary of state for filing. Thereupon, the sanitary district annexation is deemed complete, and it shall be conclusively presumed that all requirements of law relating thereto have been complied with. The chief administrative law judge shall also transmit a certified copy of the order for filing to the county auditor of each county and the clerk or recorder of each municipality and organized town wherein any part of the territory of the district, including the newly annexed area, is situated and to the secretary of the district board.

Sec. 8. **[442A.06] SANITARY DISTRICT DETACHMENT.**

Subdivision 1. **Detachment.** (a) A sanitary district detachment may occur under this chapter for any area within an existing district upon a petition to the chief administrative law judge stating the grounds therefor as provided in this section.

(b) The proposed detachment must not have any negative environmental impact on the proposed detachment area.

(c) If the chief administrative law judge and the Minnesota Pollution Control Agency disagree on the need for a sanitary district detachment, they must determine whether not allowing the sanitary district detachment will have a detrimental effect on the environment. If it is determined that the sanitary district detachment will cause environmental harm, the sanitary district detachment is not allowed unless the detached area is immediately connected to an existing wastewater treatment system.

Subd. 2. **Proceeding for detachment.** (a) A proceeding for sanitary district detachment may be initiated by a petition to the chief administrative law judge containing the following:

(1) a request for proposed detachment from a sanitary district;

(2) a statement that the requisite conditions for inclusion in a district no longer exist in the proposed detachment area;

(3) a legal description of the territory of the proposed detachment, including justification for inclusion or exclusion for all parcels;

(4) addresses of every property owner within the sanitary district and proposed detachment area boundaries as provided by the county auditor, with certification from the county auditor; two sets of address labels for said owners; and a list of e-mail addresses for said owners, if available;

(5) a statement of the territorial units represented by and qualifications of the respective signers; and

(6) the post office address of each signer, given under the signer's signature.

A petition may consist of separate writings of like effect, each signed by one or more qualified persons, and all such writings, when filed, shall be considered together as a single petition.

(b) Petitioners must conduct and pay for a public meeting to inform citizens of the proposed detachment from a sanitary district. At the meeting, information must be provided, including a description of the existing district's territory and a description of the territory of the proposed detachment area, including justification for inclusion or exclusion for all parcels for the detachment area. Notice of the meeting must be published for two successive weeks in a qualified newspaper, as defined under chapter 331A, published within the territories of the existing sanitary district and proposed detachment area or, if there is no qualified newspaper published within those territories, in a qualified newspaper of general circulation in the territories, and must be posted for two weeks in each territorial unit of the existing sanitary district and proposed detachment area and on the Web site of the existing sanitary district, if one exists. Notice of the meeting must be mailed or e-mailed at least three weeks prior to the meeting to all property tax billing addresses for all parcels included in the sanitary district. The following must be submitted to the chief administrative law judge with the petition:

(1) a record of the meeting, including copies of all information provided at the meeting;

(2) a copy of the mailing list provided by the county auditor and used to notify property owners of the meeting;

(3) a copy of the e-mail list used to notify property owners of the meeting;

(4) the printer's affidavit of publication of public meeting notice;

(5) an affidavit of posting the public meeting notice with information on dates and locations of posting; and

(6) minutes or other record of the public meeting documenting that the following topics were discussed: printer's affidavit of publication of each resolution, with copy of resolution from newspaper attached; and affidavit of resolution posting on town or existing sanitary district Web site.

(c) Every petition must be signed as follows:

(1) by an authorized officer of the existing sanitary district pursuant to a resolution of the board;

(2) for each municipality wherein there is a territorial unit of the proposed detachment area, by an authorized officer pursuant to a resolution of the municipal governing body;

(3) for each organized town wherein there is a territorial unit of the proposed detachment area, by an authorized officer pursuant to a resolution of the town board; and

(4) for each county wherein there is a territorial unit of the proposed detachment area consisting of an unorganized area, by an authorized officer pursuant to a resolution of the county board or by at least 20 percent of the voters residing and owning land within the unit.

(d) Each resolution must be published in the official newspaper of the governing body adopting it and becomes effective 40 days after publication, unless within said period there shall be filed with the governing body a petition signed by qualified electors of a territorial unit of the proposed detachment area, equal in number to five percent of the number of electors voting at the last preceding election of the governing body, requesting a referendum on the resolution, in which case the resolution may not become effective until approved by a majority of the qualified electors voting at a regular election or special election that the governing body may call. The notice of an election and the ballot to be used must contain the text of the resolution followed by the question: "Shall the above resolution be approved?"

(e) If any signer is alleged to be a landowner in a territorial unit, a statement as to the signer's landowner status as shown by the county auditor's tax assessment records, certified by the auditor, shall be attached to or endorsed upon the petition.

(f) At any time before publication of the public notice required in subdivision 4, additional signatures may be added to the petition or amendments of the petition may be made to correct or remedy any error or defect in signature or otherwise except a material error or defect in the description of the territory of the proposed detachment area. If the qualifications of any signer of a petition are challenged, the chief administrative law judge shall determine the challenge forthwith on the allegations of the petition, the county auditor's certificate of land ownership, and such other evidence as may be received.

Subd. 3. **Joint petition.** Different areas may be detached from a district in a single proceeding upon a joint petition therefor and upon compliance with the provisions of subdivisions 1 and 2 with respect to the area affected so far as applicable.

Subd. 4. **Notice of intent for sanitary district detachment.** (a) Upon receipt of a petition and record of public meeting required under subdivision 2, the chief administrative law judge shall publish a notice of intent for sanitary district detachment in the State Register and mail or e-mail information of the publication to each property owner in the affected territory at the owner's address as given by the county auditor. The information must state the date that the notice will appear in the State Register and give the Web site location for the State Register. The notice must:

(1) describe the petition for sanitary district detachment;

(2) describe the territory affected by the petition;

(3) allow 30 days for submission of written comments on the petition;

(4) state that a person who objects to the petition may submit a written request for hearing to the chief administrative law judge within 30 days of the publication of the notice in the State Register; and

(5) state that if a timely request for hearing is not received, the chief administrative law judge may make a decision on the petition.

(b) If 50 or more individual timely requests for hearing are received, the chief administrative law judge must hold a hearing on the petition according to the contested case provisions of chapter 14. The sanitary district or detachment area proposers are responsible for paying all costs involved in publicizing and holding a hearing on the petition.

Subd. 5. **Hearing time, place.** If a hearing is required under subdivision 4, the chief administrative law judge shall designate a time and place for a hearing according to section 442A.13.

Subd. 6. **Relevant factors.** (a) In arriving at a decision, the chief administrative law judge shall consider the following factors:

(1) public health, safety, and welfare impacts for the proposed detachment area;

(2) alternatives for managing the public health impacts for the proposed detachment area;

(3) equities of the petition proposal;

(4) contours of the petition proposal; and

(5) public notification of and interaction on the petition proposal.

(b) Based upon these factors, the chief administrative law judge may order the detachment from the sanitary district on finding that:

(1) the proposed detachment area has adequate alternatives for managing public health impacts due to the detachment;

(2) the proposed detachment area is not necessary for the district to provide a long-term, equitable solution to pollution problems affecting public health, safety, and welfare;

(3) property owners within the existing sanitary district and proposed detachment area were provided notice of the proposed detachment and opportunity to comment on the petition proposal; and

(4) the petition complied with the requirements of all applicable statutes and rules pertaining to sanitary district detachment.

(c) The chief administrative law judge may alter the boundaries of the proposed detachment area by increasing or decreasing the area to be included or may exclude property that may be better served by another unit of government. The chief administrative law judge may also alter the boundaries of the proposed detachment area so as to follow visible, clearly recognizable physical features for municipal boundaries.

(d) The chief administrative law judge may deny sanitary district detachment if the area, or a part thereof, would be better served by an alternative method.

(e) In all cases, the chief administrative law judge shall set forth the factors that are the basis for the decision.

Subd. 7. **Findings; order.** (a) After the public notice period or the public hearing, if required under subdivision 4, and based on the petition, any public comments received, and, if a hearing was held, the hearing record, the chief administrative law judge shall make findings of fact and conclusions determining whether the conditions requisite for the sanitary district detachment exist in the territory described in the petition. If the chief administrative law judge finds that conditions exist, the judge may make an order for sanitary district detachment for the territory described in the petition.

(b) All taxable property within the detached area shall remain subject to taxation for any existing bonded indebtedness of the district to such extent as it would have been subject thereto if not detached and shall also remain subject to taxation for any other existing indebtedness of the district incurred for any purpose beneficial to such area to such extent as the chief administrative law judge may determine to be just and equitable, to be specified in the order for detachment. The proper officers shall levy further taxes on such property accordingly.

Subd. 8. **Denial of petition.** If the chief administrative law judge, after conclusion of the public notice period or holding a hearing, if required, determines that the sanitary district detachment in the territory described in the petition is not warranted, the judge shall make an order denying the petition. The chief administrative law judge shall give notice of the denial by mail or e-mail to each signer of the petition. No petition for a detachment from a district consisting of the same territory shall be entertained within a year after the date of an order under this subdivision. Nothing in this subdivision precludes action on a petition for a detachment from a district embracing part of the territory with or without other territory.

Subd. 9. **Notice of order for sanitary district detachment.** The chief administrative law judge shall publish in the State Register a notice of the final order for sanitary district detachment, referring to the date of the order and describing the territory of the detached area and shall mail or e-mail information of the publication to each property owner in the affected territory at the owner's address as given by the county auditor. The information must state the date that the notice will appear in the State Register and give the Web site location for the State Register. The notice must:

(1) describe the petition for detachment from the district;

(2) describe the territory affected by the petition; and

(3) state that a certified copy of the order shall be delivered to the secretary of state for filing ten days after public notice of the order in the State Register.

Subd. 10. **Filing.** Ten days after public notice of the order in the State Register, the chief administrative law judge shall deliver a certified copy of the order to the secretary of state for filing. Thereupon, the sanitary district detachment is deemed complete, and it shall be conclusively presumed that all requirements of law relating thereto have been complied with. The chief administrative law judge shall also transmit a certified copy of the order for filing to the county auditor of each county and the clerk or recorder of each municipality and organized town wherein any part of the territory of the district, including the newly detached area, is situated and to the secretary of the district board.

Sec. 9. **[442A.07] SANITARY DISTRICT DISSOLUTION.**

Subdivision 1. **Dissolution.** (a) An existing sanitary district may be dissolved under this chapter upon a petition to the chief administrative law judge stating the grounds therefor as provided in this section.

(b) The proposed dissolution must not have any negative environmental impact on the existing sanitary district area.

(c) If the chief administrative law judge and the Minnesota Pollution Control Agency disagree on the need to dissolve a sanitary district, they must determine whether not dissolving the sanitary district will have a detrimental effect on the environment. If it is determined that the sanitary district dissolution will cause environmental harm, the sanitary district dissolution is not allowed unless the existing sanitary district area is immediately connected to an existing wastewater treatment system.

Subd. 2. **Proceeding for dissolution.** (a) A proceeding for sanitary district dissolution may be initiated by a petition to the chief administrative law judge containing the following:

(1) a request for proposed sanitary district dissolution;

(2) a statement that the requisite conditions for a sanitary district no longer exist in the district area;

(3) a proposal for distribution of the remaining funds of the district, if any, among the related governmental subdivisions;

(4) a legal description of the territory of the proposed dissolution;

(5) addresses of every property owner within the sanitary district boundaries as provided by the county auditor, with certification from the county auditor; two sets of address labels for said owners; and a list of e-mail addresses for said owners, if available;

(6) a statement of the territorial units represented by and the qualifications of the respective signers; and

(7) the post office address of each signer, given under the signer's signature.

A petition may consist of separate writings of like effect, each signed by one or more qualified persons, and all such writings, when filed, shall be considered together as a single petition.

(b) Petitioners must conduct and pay for a public meeting to inform citizens of the proposed dissolution of a sanitary district. At the meeting, information must be provided, including a description of the existing district's territory. Notice of the meeting must be published for two successive weeks in a qualified newspaper, as defined under chapter 331A, published within the territory of the sanitary district or, if there is no qualified newspaper published within that territory, in a qualified newspaper of general circulation in the territory and must be posted for two weeks in each territorial unit of the sanitary district and on the Web site of the existing sanitary district, if one exists. Notice of the meeting must be mailed or e-mailed at least three weeks prior to the meeting to all property tax billing addresses for all parcels included in the sanitary district. The following must be submitted to the chief administrative law judge with the petition:

(1) a record of the meeting, including copies of all information provided at the meeting;

(2) a copy of the mailing list provided by the county auditor and used to notify property owners of the meeting;

(3) a copy of the e-mail list used to notify property owners of the meeting;

(4) the printer's affidavit of publication of public meeting notice;

(5) an affidavit of posting the public meeting notice with information on dates and locations of posting; and

(6) minutes or other record of the public meeting documenting that the following topics were discussed: printer's affidavit of publication of each resolution, with copy of resolution from newspaper attached; and affidavit of resolution posting on town or existing sanitary district Web site.

(c) Every petition must be signed as follows:

(1) by an authorized officer of the existing sanitary district pursuant to a resolution of the board;

(2) for each municipality wherein there is a territorial unit of the existing sanitary district, by an authorized officer pursuant to a resolution of the municipal governing body;

(3) for each organized town wherein there is a territorial unit of the existing sanitary district, by an authorized officer pursuant to a resolution of the town board; and

(4) for each county wherein there is a territorial unit of the existing sanitary district consisting of an unorganized area, by an authorized officer pursuant to a resolution of the county board or by at least 20 percent of the voters residing and owning land within the unit.

(d) Each resolution must be published in the official newspaper of the governing body adopting it and becomes effective 40 days after publication, unless within said period there shall be filed with the governing body a petition signed by qualified electors of a territorial unit of the district, equal in number to five percent of the number of electors voting at the last preceding election of the governing body, requesting a referendum on the resolution, in which case the resolution may not become effective until approved by a majority of the qualified electors voting at a regular election or special election that the governing body may call. The notice of an election and the ballot to be used must contain the text of the resolution followed by the question: "Shall the above resolution be approved?"

(e) If any signer is alleged to be a landowner in a territorial unit, a statement as to the signer's landowner status as shown by the county auditor's tax assessment records, certified by the auditor, shall be attached to or endorsed upon the petition.

(f) At any time before publication of the public notice required in subdivision 3, additional signatures may be added to the petition or amendments of the petition may be made to correct or remedy any error or defect in signature or otherwise except a material error or defect in the description of the territory of the proposed dissolution area. If the qualifications of any signer of a petition are challenged, the chief administrative law judge shall determine the challenge forthwith on the allegations of the petition, the county auditor's certificate of land ownership, and such other evidence as may be received.

Subd. 3. Notice of intent for sanitary district dissolution. (a) Upon receipt of a petition and record of the public meeting required under subdivision 2, the chief administrative law judge shall publish a notice of intent of sanitary district dissolution in the State Register and mail or e-mail information of the publication to each property owner in the affected territory at the owner's address as given by the county auditor. The information must state the date that the notice will appear in the State Register and give the Web site location for the State Register. The notice must:

(1) describe the petition for sanitary district dissolution;

(2) describe the territory affected by the petition;

(3) allow 30 days for submission of written comments on the petition;

(4) state that a person who objects to the petition may submit a written request for hearing to the chief administrative law judge within 30 days of the publication of the notice in the State Register; and

(5) state that if a timely request for hearing is not received, the chief administrative law judge may make a decision on the petition.

(b) If 50 or more individual timely requests for hearing are received, the chief administrative law judge must hold a hearing on the petition according to the contested case provisions of chapter 14. The sanitary district dissolution proposers are responsible for paying all costs involved in publicizing and holding a hearing on the petition.

Subd. 4. **Hearing time, place.** If a hearing is required under subdivision 3, the chief administrative law judge shall designate a time and place for a hearing according to section 442A.13.

Subd. 5. **Relevant factors.** (a) In arriving at a decision, the chief administrative law judge shall consider the following factors:

- (1) public health, safety, and welfare impacts for the proposed dissolution;
- (2) alternatives for managing the public health impacts for the proposed dissolution;
- (3) equities of the petition proposal;
- (4) contours of the petition proposal; and
- (5) public notification of and interaction on the petition proposal.

(b) Based upon these factors, the chief administrative law judge may order the dissolution of the sanitary district on finding that:

(1) the proposed dissolution area has adequate alternatives for managing public health impacts due to the dissolution;

(2) the sanitary district is not necessary to provide a long-term, equitable solution to pollution problems affecting public health, safety, and welfare;

(3) property owners within the sanitary district were provided notice of the proposed dissolution and opportunity to comment on the petition proposal; and

(4) the petition complied with the requirements of all applicable statutes and rules pertaining to sanitary district dissolution.

(c) The chief administrative law judge may alter the boundaries of the proposed dissolution area by increasing or decreasing the area to be included or may exclude property that may be better served by another unit of government. The chief administrative law judge may also alter the boundaries of the proposed dissolution area so as to follow visible, clearly recognizable physical features for municipal boundaries.

(d) The chief administrative law judge may deny sanitary district dissolution if the area, or a part thereof, would be better served by an alternative method.

(e) In all cases, the chief administrative law judge shall set forth the factors that are the basis for the decision.

Subd. 6. **Findings; order.** (a) After the public notice period or the public hearing, if required under subdivision 3, and based on the petition, any public comments received, and, if a hearing was held, the hearing record, the chief administrative law judge shall make findings of fact and conclusions determining whether the conditions requisite

for the sanitary district dissolution exist in the territory described in the petition. If the chief administrative law judge finds that conditions exist, the judge may make an order for sanitary district dissolution for the territory described in the petition.

(b) If the chief administrative law judge determines that the conditions requisite for the creation of the district no longer exist therein, that all indebtedness of the district has been paid, and that all property of the district except funds has been disposed of, the judge may make an order dissolving the district and directing the distribution of its remaining funds, if any, among the related governmental subdivisions on such basis as the chief administrative law judge determines to be just and equitable, to be specified in the order.

Subd. 7. **Denial of petition.** If the chief administrative law judge, after conclusion of the public notice period or holding a hearing, if required, determines that the sanitary district dissolution in the territory described in the petition is not warranted, the judge shall make an order denying the petition. The chief administrative law judge shall give notice of the denial by mail or e-mail to each signer of the petition. No petition for the dissolution of a district consisting of the same territory shall be entertained within a year after the date of an order under this subdivision.

Subd. 8. **Notice of order for sanitary district dissolution.** The chief administrative law judge shall publish in the State Register a notice of the final order for sanitary district dissolution, referring to the date of the order and describing the territory of the dissolved district and shall mail or e-mail information of the publication to each property owner in the affected territory at the owner's address as given by the county auditor. The information must state the date that the notice will appear in the State Register and give the Web site location of the State Register. The notice must:

(1) describe the petition for dissolution of the district;

(2) describe the territory affected by the petition; and

(3) state that a certified copy of the order shall be delivered to the secretary of state for filing ten days after public notice of the order in the State Register.

Subd. 9. **Filing.** (a) Ten days after public notice of the order in the State Register, the chief administrative law judge shall deliver a certified copy of the order to the secretary of state for filing. Thereupon, the sanitary district dissolution is deemed complete, and it shall be conclusively presumed that all requirements of law relating thereto have been complied with. The chief administrative law judge shall also transmit a certified copy of the order for filing to the county auditor of each county and the clerk or recorder of each municipality and organized town wherein any part of the territory of the dissolved district is situated and to the secretary of the district board.

(b) The chief administrative law judge shall also transmit a certified copy of the order to the treasurer of the district, who must thereupon distribute the remaining funds of the district as directed by the order and who is responsible for the funds until so distributed.

Sec. 10. [442A.08] JOINT PUBLIC INFORMATIONAL MEETING.

There must be a joint public informational meeting of the local governments of any proposed sanitary district creation, annexation, detachment, or dissolution. The joint public informational meeting must be held after the final mediation meeting or the final meeting held according to section 442A.02, subdivision 8, if any, and before the hearing on the matter is held. If no mediation meetings are held, the joint public informational meeting must be held after the initiating documents have been filed and before the hearing on the matter. The time, date, and place of the public informational meeting must be determined jointly by the local governments in the proposed creation, annexation, detachment, or dissolution areas and by the sanitary district, if one exists. The chair of the sanitary district, if one exists, and the responsible official for one of the local governments represented at the meeting must

serve as the co-chairs for the informational meeting. Notice of the time, date, place, and purpose of the informational meeting must be posted by the sanitary district, if one exists, and local governments in designated places for posting notices. The sanitary district, if one exists, and represented local governments must also publish, at their own expense, notice in their respective official newspapers. If the same official newspaper is used by multiple local government representatives or the sanitary district, a joint notice may be published and the costs evenly divided. All notice required by this section must be provided at least ten days before the date for the public informational meeting. At the public informational meeting, all persons appearing must have an opportunity to be heard, but the co-chairs may, by mutual agreement, establish the amount of time allowed for each speaker. The sanitary district board, the local government representatives, and any resident or affected property owner may be represented by counsel and may place into the record of the informational meeting documents, expert opinions, or other materials supporting their positions on issues raised by the proposed proceeding. The secretary of the sanitary district, if one exists, or a person appointed by the chair must record minutes of the proceedings of the informational meeting and must make an audio recording of the informational meeting. The sanitary district, if one exists, or a person appointed by the chair must provide the chief administrative law judge and the represented local governments with a copy of the printed minutes and must provide the chief administrative law judge and the represented local governments with a copy of the audio recording. The record of the informational meeting for a proceeding under section 442A.04, 442A.05, 442A.06, or 442A.07 is admissible in any proceeding under this chapter and shall be taken into consideration by the chief administrative law judge or the chief administrative law judge's designee.

Sec. 11. **[442A.09] ANNEXATION BY ORDER OF POLLUTION CONTROL AGENCY.**

Subdivision 1. **Annexation by ordinance alternative.** If a determination or order by the Minnesota Pollution Control Agency under section 115.49 or other similar statute is made that cooperation by contract is necessary and feasible between a sanitary district and an unincorporated area located outside the existing corporate limits of the sanitary district, the sanitary district required to provide or extend through a contract a governmental service to an unincorporated area, during the statutory 90-day period provided in section 115.49 to formulate a contract, may in the alternative to formulating a service contract to provide or extend the service, declare the unincorporated area described in the Minnesota Pollution Control Agency's determination letter or order annexed to the sanitary district by adopting an ordinance and submitting it to the chief administrative law judge.

Subd. 2. **Chief administrative law judge's role.** The chief administrative law judge may review and comment on the ordinance but shall approve the ordinance within 30 days of receipt. The ordinance is final and the annexation is effective on the date the chief administrative law judge approves the ordinance.

Sec. 12. **[442A.10] PETITIONERS TO PAY EXPENSES.**

Expenses of the preparation and submission of petitions in the proceedings under sections 442A.04 to 442A.09 shall be paid by the petitioners. Notwithstanding section 16A.1283, the Office of Administrative Hearings may adopt rules according to section 14.386 to establish fees necessary to support the preparation and submission of petitions in proceedings under sections 442A.04 to 442A.09. The fees collected by the Office of Administrative Hearings shall be deposited in the environmental fund.

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

Sec. 13. **[442A.11] TIME LIMITS FOR ORDERS; APPEALS.**

Subdivision 1. **Orders; time limit.** All orders in proceedings under this chapter shall be issued within one year from the date of the first hearing thereon, provided that the time may be extended for a fixed additional period upon consent of all parties of record. Failure to so order shall be deemed to be an order denying the matter. An appeal may be taken from such failure to so order in the same manner as an appeal from an order as provided in subdivision 2.

Subd. 2. **Grounds for appeal.** (a) Any person aggrieved by an order issued under this chapter may appeal to the district court upon the following grounds:

(1) the order was issued without jurisdiction to act;

(2) the order exceeded the jurisdiction of the presiding administrative law judge;

(3) the order was arbitrary, fraudulent, capricious, or oppressive or in unreasonable disregard of the best interests of the territory affected; or

(4) the order was based upon an erroneous theory of law.

(b) The appeal must be taken in the district court in the county in which the majority of the area affected is located. The appeal does not stay the effect of the order. All notices and other documents must be served on both the chief administrative law judge and the attorney general's assistant assigned to the chief administrative law judge for purposes of this chapter.

(c) If the court determines that the action involved is unlawful or unreasonable or is not warranted by the evidence in case an issue of fact is involved, the court may vacate or suspend the action involved, in whole or in part, as the case requires. The matter shall then be remanded for further action in conformity with the decision of the court.

(d) To render a review of an order effectual, the aggrieved person shall file with the court administrator of the district court of the county in which the majority of the area is located, within 30 days of the order, an application for review together with the grounds upon which the review is sought.

(e) An appeal lies from the district court as in other civil cases.

Sec. 14. **[442A.12] CHIEF ADMINISTRATIVE LAW JUDGE MAY APPEAL FROM DISTRICT COURT.**

An appeal may be taken under the Rules of Civil Appellate Procedure by the chief administrative law judge from a final order or judgment made or rendered by the district court when the chief administrative law judge determines that the final order or judgment adversely affects the public interest.

Sec. 15. **[442A.13] UNIFORM PROCEDURES.**

Subdivision 1. **Hearings.** (a) Proceedings initiated by the submission of an initiating document or by the chief administrative law judge shall come on for hearing within 30 to 60 days from receipt of the document by the chief administrative law judge or from the date of the chief administrative law judge's action and the person conducting the hearing must submit an order no later than one year from the date of the first hearing.

(b) The place of the hearing shall be in the county where a majority of the affected territory is situated, and shall be established for the convenience of the parties.

(c) The chief administrative law judge shall mail notice of the hearing to the following parties: the sanitary district; any township or municipality presently governing the affected territory; any township or municipality abutting the affected territory; the county where the affected territory is situated; and each planning agency that has jurisdiction over the affected area.

(d) The chief administrative law judge shall see that notice of the hearing is published for two successive weeks in a legal newspaper of general circulation in the affected area.

(e) When the chief administrative law judge exercises authority to change the boundaries of the affected area so as to increase the quantity of land, the hearing shall be recessed and reconvened upon two weeks' published notice in a legal newspaper of general circulation in the affected area.

Subd. 2. **Transmittal of order.** The chief administrative law judge shall see that copies of the order are mailed to all parties entitled to mailed notice of hearing under subdivision 1, individual property owners if initiated in that manner, and any other party of record.

Sec. 16. **[442A.14] DISTRICT BOARD OF MANAGERS.**

Subdivision 1. **Composition.** The governing body of each district shall be a board of managers of five members, who shall be voters residing in the district and who may but need not be officers, members of governing bodies, or employees of the related governmental subdivisions, except that when there are more than five territorial units in a district, there must be one board member for each unit.

Subd. 2. **Terms.** The terms of the first board members elected after creation of a district shall be so arranged and determined by the electing body as to expire on the first business day in January as follows:

(1) the terms of two members in the second calendar year after the year in which they were elected;

(2) the terms of two other members in the third calendar year after the year in which they were elected; and

(3) the term of the remaining member in the fourth calendar year after the year in which the member was elected. In case a board has more than five members, the additional members shall be assigned to the groups under clauses (1) to (3) to equalize the groups as far as practicable. Thereafter, board members shall be elected successively for regular terms beginning upon expiration of the preceding terms and expiring on the first business day in January of the third calendar year thereafter. Each board member serves until a successor is elected and has qualified.

Subd. 3. **Election of board.** In a district having only one territorial unit, all the members of the board shall be elected by the related governing body. In a district having more than one territorial unit, the members of the board shall be elected by the members of the related governing bodies in joint session except as otherwise provided. The electing bodies concerned shall meet and elect the first board members of a new district as soon as practicable after creation of the district and shall meet and elect board members for succeeding regular terms as soon as practicable after November 1 next preceding the beginning of the terms to be filled, respectively.

Subd. 4. **Central related governing body.** Upon the creation of a district having more than one territorial unit, the chief administrative law judge, on the basis of convenience for joint meeting purposes, shall designate one of the related governing bodies as the central related governing body in the order creating the district or in a subsequent special order, of which the chief administrative law judge shall notify the clerks or recorders of all the related governing bodies. Upon receipt of the notification, the clerk or recorder of the central related governing body shall immediately transmit the notification to the presiding officer of the body. The officer shall thereupon call a joint meeting of the members of all the related governing bodies to elect board members, to be held at such time as the officer shall fix at the regular meeting place of the officer's governing body or at such other place in the district as the officer shall determine. The clerk or recorder of the body must give at least ten days' notice of the meeting by mail to the clerks or recorders of all the other related governing bodies, who shall immediately transmit the notice to all the members of the related governing bodies, respectively. Subsequent joint meetings to elect board members for regular terms must be called and held in like manner. The presiding officer and the clerk or recorder of the central related governing body shall act respectively as chair and secretary of the joint electing body at any meeting thereof, but in case of the absence or disability of either of them, the body may elect a temporary substitute. A majority of the members of each related governing body is required for a quorum at any meeting of the joint electing body.

Subd. 5. **Nominations.** Nominations for board members may be made by petitions, each signed by ten or more voters residing and owning land in the district, filed with the clerk, recorder, or secretary of the electing body before the election meeting. No person shall sign more than one petition. The electing body shall give due consideration to all nominations but is not limited thereto.

Subd. 6. **Election; single governing body.** In the case of an electing body consisting of a single related governing body, a majority vote of all members is required for an election. In the case of a joint electing body, a majority vote of members present is required for an election. In case of lack of a quorum or failure to elect, a meeting of an electing body may be adjourned to a stated time and place without further notice.

Subd. 7. **Election; multiple governing bodies.** In any district having more than one territorial unit, the related governing bodies, instead of meeting in joint session, may elect a board member by resolutions adopted by all of them separately, concurring in the election of the same person. A majority vote of all members of each related governing body is required for the adoption of any such resolution. The clerks or recorders of the other related governing bodies shall transmit certified copies of the resolutions to the clerk or recorder of the central related governing body. Upon receipt of concurring resolutions from all the related governing bodies, the presiding officer and clerk or recorder of the central related governing body shall certify the results and furnish certificates of election as provided for a joint meeting.

Subd. 8. **Vacancies.** Any vacancy in the membership of a board must be filled for the unexpired term in like manner as provided for the regular election of board members.

Subd. 9. **Certification of election; temporary chair.** The presiding and recording officers of the electing body shall certify the results of each election to the county auditor of each county wherein any part of the district is situated and to the clerk or recorder of each related governing body and shall make and transmit to each board member elected a certificate of the board member's election. Upon electing the first board members of a district, the presiding officer of the electing body shall designate a member to serve as temporary chair for purposes of initial organization of the board, and the recording officer of the body shall include written notice thereof to all the board members with their certificates of election.

Sec. 17. **[442A.15] BOARD ORGANIZATION AND PROCEDURES.**

Subdivision 1. **Initial, annual meetings.** As soon as practicable after the election of the first board members of a district, the board shall meet at the call of the temporary chair to elect officers and take other appropriate action for organization and administration of the district. Each board shall hold a regular annual meeting at the call of the chair or otherwise as the board prescribes on or as soon as practicable after the first business day in January of each year and such other regular and special meetings as the board prescribes.

Subd. 2. **Officers.** The officers of each district shall be a chair and a vice-chair, who shall be members of the board, and a secretary and a treasurer, who may but need not be members of the board. The board of a new district at its initial meeting or as soon thereafter as practicable shall elect the officers to serve until the first business day in January next following. Thereafter, the board shall elect the officers at each regular annual meeting for terms expiring on the first business day in January next following. Each officer serves until a successor is elected and has qualified.

Subd. 3. **Meeting place; offices.** The board at its initial meeting or as soon thereafter as practicable shall provide for suitable places for board meetings and for offices of the district officers and may change the same thereafter as the board deems advisable. The meeting place and offices may be the same as those of any related governing body, with the approval of the body. The secretary of the board shall notify the secretary of state, the county auditor of each county wherein any part of the district is situated, and the clerk or recorder of each related governing body of the locations and post office addresses of the meeting place and offices and any changes therein.

Subd. 4. **Budget.** At any time before the proceeds of the first tax levy in a district become available, the district board may prepare a budget comprising an estimate of the expenses of organizing and administering the district until the proceeds are available, with a proposal for apportionment of the estimated amount among the related governmental subdivisions, and may request the governing bodies thereof to advance funds according to the proposal. The governing bodies may authorize advancement of the requested amounts, or such part thereof as they respectively deem proper, from any funds available in their respective treasuries. The board shall include in its first tax levy after receipt of any such advancements a sufficient sum to cover the same and shall cause the same to be repaid, without interest, from the proceeds of taxes as soon as received.

Sec. 18. **[442A.16] DISTRICT STATUS AND POWERS.**

Subdivision 1. **Status.** Every district shall be a public corporation and a governmental subdivision of the state and shall be deemed to be a municipality or municipal corporation for the purpose of obtaining federal or state grants or loans or otherwise complying with any provision of federal or state law or for any other purpose relating to the powers and purposes of the district for which such status is now or hereafter required by law.

Subd. 2. **Powers and purpose.** Every district shall have the powers and purposes prescribed by this chapter and such others as may now or hereafter be prescribed by law. No express grant of power or enumeration of powers herein shall be deemed to limit the generality or scope of any grant of power.

Subd. 3. **Scope of powers and duties.** Except as otherwise provided, a power or duty vested in or imposed upon a district or any of its officers, agents, or employees shall not be deemed exclusive and shall not supersede or abridge any power or duty vested in or imposed upon any other agency of the state or any governmental subdivision thereof, but shall be supplementary thereto.

Subd. 4. **Exercise of power.** All the powers of a district shall be exercised by its board of managers except so far as approval of any action by popular vote or by any other authority may be expressly required by law.

Subd. 5. **Lawsuits; contracts.** A district may sue and be sued and may enter into any contract necessary or proper for the exercise of its powers or the accomplishment of its purposes.

Subd. 6. **Property acquisition.** A district may acquire by purchase, gift, or condemnation or may lease or rent any real or personal property within or without the district that may be necessary for the exercise of district powers or the accomplishment of district purposes, may hold the property for such purposes, and may lease, rent out, sell, or otherwise dispose of any property not needed for such purposes.

Subd. 7. **Acceptance of money or property.** A district may accept gifts, grants, or loans of money or other property from the United States, the state, or any person, corporation, or other entity for district purposes; may enter into any agreement required in connection therewith; and may hold, use, and dispose of the money or property according to the terms of the gift, grant, loan, or agreement relating thereto.

Sec. 19. **[442A.17] SPECIFIC PURPOSES AND POWERS.**

Subdivision 1. **Pollution prevention.** A district may construct, install, improve, maintain, and operate any system, works, or facilities within or without the district required to control and prevent pollution of any waters of the state within its territory.

Subd. 2. **Sewage disposal.** A district may construct, install, improve, maintain, and operate any system, works, or facilities within or without the district required to provide for, regulate, and control the disposal of sewage, industrial waste, and other waste originating within its territory. The district may require any person upon whose premises there is any source of sewage, industrial waste, or other waste within the district to connect the premises with the disposal system, works, or facilities of the district whenever reasonable opportunity therefor is provided.

Subd. 3. **Garbage, refuse disposal.** A district may construct, install, improve, maintain, and operate any system, works, or facilities within or without the district required to provide for, regulate, and control the disposal of garbage or refuse originating within the district. The district may require any person upon whose premises any garbage or refuse is produced or accumulated to dispose of the garbage or refuse through the system, works, or facilities of the district whenever reasonable opportunity therefor is provided.

Subd. 4. **Water supply.** A district may procure supplies of water necessary for any purpose under subdivisions 1 to 3 and may construct, install, improve, maintain, and operate any system, works, or facilities required therefor within or without the district.

Subd. 5. **Roads.** (a) To maintain the integrity of and facilitate access to district systems, works, or facilities, the district may maintain and repair a road by agreement with the entity that was responsible for the performance of maintenance and repair immediately prior to the agreement. Maintenance and repair includes but is not limited to providing lighting, snow removal, and grass mowing.

(b) A district shall establish a taxing subdistrict of benefited property and shall levy special taxes, pursuant to section 442A.24, subdivision 2, for the purposes of paying the cost of improvement or maintenance of a road under paragraph (a).

(c) For purposes of this subdivision, a district shall not be construed as a road authority under chapter 160.

(d) The district and its officers and employees are exempt from liability for any tort claim for injury to person or property arising from travel on a road maintained by the district and related to the road's maintenance or condition.

Sec. 20. **[442A.18] DISTRICT PROJECTS AND FACILITIES.**

Subdivision 1. **Public property.** For the purpose of constructing, improving, maintaining, or operating any system, works, or facilities designed or used for any purpose under section 442A.17, a district, its officers, agents, employees, and contractors may enter, occupy, excavate, and otherwise operate in, upon, under, through, or along any public highway, including a state trunk highway, or any street, park, or other public grounds so far as necessary for such work, with the approval of the governing body or other authority in charge of the public property affected and on such terms as may be agreed upon with the governing body or authority respecting interference with public use, restoration of previous conditions, compensation for damages, and other pertinent matters. If an agreement cannot be reached after reasonable opportunity therefor, the district may acquire the necessary rights, easements, or other interests in the public property by condemnation, subject to all applicable provisions of law as in case of taking private property, upon condition that the court shall determine that there is paramount public necessity for the acquisition.

Subd. 2. **Use of other systems.** A district may, upon such terms as may be agreed upon with the respective governing bodies or authorities concerned, provide for connecting with or using; lease; or acquire and take over any system, works, or facilities for any purpose under section 442A.17 belonging to any other governmental subdivision or other public agency.

Subd. 3. **Use by other governmental bodies.** A district may, upon such terms as may be agreed upon with the respective governing bodies or authorities concerned, authorize the use by any other governmental subdivision or other public agency of any system, works, or facilities of the district constructed for any purpose under section 442A.17 so far as the capacity thereof is sufficient beyond the needs of the district. A district may extend any such system, works, or facilities and permit the use thereof by persons outside the district, so far as the capacity thereof is sufficient beyond the needs of the district, upon such terms as the board may prescribe.

Subd. 4. **Joint projects.** A district may be a party to a joint cooperative project, undertaking, or enterprise with one or more other governmental subdivisions or other public agencies for any purpose under section 442A.17 upon such terms as may be agreed upon between the governing bodies or authorities concerned. Without limiting the effect of the foregoing provision or any other provision of this chapter, a district, with respect to any of said purposes, may act under and be subject to section 471.59, or any other appropriate law providing for joint or cooperative action between governmental subdivisions or other public agencies.

Sec. 21. **[442A.19] CONTROL OF SANITARY FACILITIES.**

A district may regulate and control the construction, maintenance, and use of privies, cesspools, septic tanks, toilets, and other facilities and devices for the reception or disposal of human or animal excreta or other domestic wastes within its territory so far as necessary to prevent nuisances or pollution or to protect the public health, safety, and welfare and may prohibit the use of any such facilities or devices not connected with a district disposal system, works, or facilities whenever reasonable opportunity for such connection is provided; provided, that the authority of a district under this section does not extend or apply to the construction, maintenance, operation, or use by any person other than the district of any disposal system or part thereof within the district under and in accordance with a valid and existing permit issued by the Minnesota Pollution Control Agency.

Sec. 22. **[442A.20] DISTRICT PROGRAMS, SURVEYS, AND STUDIES.**

A district may develop general programs and particular projects within the scope of its powers and purposes and may make all surveys, studies, and investigations necessary for the programs and projects.

Sec. 23. **[442A.21] GENERAL AND STATUTORY CITY POWERS.**

A district may do and perform all other acts and things necessary or proper for the effectuation of its powers and the accomplishment of its purposes. Without limiting the effect of the foregoing provision or any other provision of this chapter, a district, with respect to each and all of said powers and purposes, shall have like powers as are vested in statutory cities with respect to any similar purposes. The exercise of such powers by a district and all matters pertaining thereto are governed by the law relating to the exercise of similar powers by statutory cities and matters pertaining thereto, so far as applicable, with like force and effect, except as otherwise provided.

Sec. 24. **[442A.22] ADVISORY COMMITTEE.**

A district board of managers may appoint an advisory committee with membership and duties as the board prescribes.

Sec. 25. **[442A.23] BOARD POWERS.**

Subdivision 1. **Generally.** The board of managers of every district shall have charge and control of all the funds, property, and affairs of the district. With respect thereto, the board has the same powers and duties as are provided by law for a statutory city council with respect to similar statutory city matters, except as otherwise provided. Except as otherwise provided, the chair, vice-chair, secretary, and treasurer of the district have the same powers and duties, respectively, as the mayor, acting mayor, clerk, and treasurer of a statutory city. Except as otherwise provided, the exercise of the powers and the performance of the duties of the board and officers of the district and all other activities, transactions, and procedures of the district or any of its officers, agents, or employees, respectively, are governed by the law relating to similar matters in a statutory city, so far as applicable, with like force and effect.

Subd. 2. **Regulation of district.** The board may enact ordinances, prescribe regulations, adopt resolutions, and take other appropriate action relating to any matter within the powers and purposes of the district and may do and perform all other acts and things necessary or proper for the effectuation of said powers and the accomplishment of said purposes. The board may provide that violation of a district ordinance is a penal offense and may prescribe penalties for violations, not exceeding those prescribed by law for violation of statutory city ordinances.

Subd. 3. **Arrest; prosecution.** (a) Violations of district ordinances may be prosecuted before any court having jurisdiction of misdemeanors. Any peace officer may make arrests for violations committed anywhere within the district in the same manner as for violations of city ordinances or for statutory misdemeanors.

(b) All fines collected shall be deposited in the treasury of the district.

Sec. 26. **[442A.24] TAX LEVIES, ASSESSMENTS, AND SERVICE CHARGES.**

Subdivision 1. **Tax levies.** The board may levy taxes for any district purpose on all property taxable within the district.

Subd. 2. **Particular area.** In the case where a particular area within the district, but not the entire district, is benefited by a system, works, or facilities of the district, the board, after holding a public hearing as provided by law for levying assessments on benefited property, shall by ordinance establish such area as a taxing subdistrict, to be designated by number, and shall levy special taxes on all the taxable property therein, to be accounted for separately and used only for the purpose of paying the cost of construction, improvement, acquisition, maintenance, or operation of such system, works, or facilities, or paying the principal and interest on bonds issued to provide funds therefor and expenses incident thereto. The hearing may be held jointly with a hearing for the purpose of levying assessments on benefited property within the proposed taxing subdistrict.

Subd. 3. **Benefited property.** The board shall levy assessments on benefited property to provide funds for payment of the cost of construction, improvement, or acquisition of any system, works, or facilities designed or used for any district purpose or for payment of the principal of and interest on any bonds issued therefor and expenses incident thereto.

Subd. 4. **Service charges.** The board shall prescribe service, use, or rental charges for persons or premises connecting with or making use of any system, works, or facilities of the district; prescribe the method of payment and collection of the charges; and provide for the collection thereof for the district by any related governmental subdivision or other public agency on such terms as may be agreed upon with the governing body or other authority thereof.

Sec. 27. **[442A.25] BORROWING POWERS; BONDS.**

Subdivision 1. **Borrowing power.** The board may authorize the borrowing of money for any district purpose and provide for the repayment thereof, subject to chapter 475. The taxes initially levied by any district according to section 475.61 for the payment of district bonds, upon property within each municipality included in the district, shall be included in computing the levy of the municipality.

Subd. 2. **Bond issuance.** The board may authorize the issuance of bonds or obligations of the district to provide funds for the construction, improvement, or acquisition of any system, works, or facilities for any district purpose or for refunding any prior bonds or obligations issued for any such purpose and may pledge the full faith and credit of the district; the proceeds of tax levies or assessments; service, use, or rental charges; or any combination thereof to the payment of such bonds or obligations and interest thereon or expenses incident thereto. An election or vote of the people of the district is required to authorize the issuance of any bonds or obligations. Except as otherwise provided in this chapter, the forms and procedures for issuing and selling bonds and provisions for payment thereof must comply with chapter 475.

Sec. 28. **[442A.26] FUNDS; DISTRICT TREASURY.**

The proceeds of all tax levies, assessments, service, use, or rental charges, and other income of the district must be deposited in the district treasury and must be held and disposed of as the board may direct for district purposes, subject to any pledges or dedications made by the board for the use of particular funds for the payment of bonds, interest thereon, or expenses incident thereto or for other specific purposes.

Sec. 29. **[442A.27] EFFECT OF DISTRICT ORDINANCES AND FACILITIES.**

In any case where an ordinance is enacted or a regulation adopted by a district board relating to the same subject matter and applicable in the same area as an existing ordinance or regulation of a related governmental subdivision for the district, the district ordinance or regulation, to the extent of its application, supersedes the ordinance or regulation of the related governmental subdivision. In any case where an area within a district is served for any district purpose by a system, works, or facilities of the district, no system, works, or facilities shall be constructed, maintained, or operated for the same purpose in the same area by any related governmental subdivision or other public agency except as approved by the district board.

Sec. 30. **[442A.28] APPLICATION.**

This chapter does not abridge or supersede any authority of the Minnesota Pollution Control Agency or the commissioner of health, but is subject and supplementary thereto. Districts and members of district boards are subject to the authority of the Minnesota Pollution Control Agency and have no power or authority to abate or control pollution that is permitted by and in accord with any classification of waters, standards of water quality, or permit established, fixed, or issued by the Minnesota Pollution Control Agency.

Sec. 31. **[442A.29] CHIEF ADMINISTRATIVE LAW JUDGE'S POWERS.**

Subdivision 1. **Alternative dispute resolution.** (a) Notwithstanding sections 442A.01 to 442A.28, before assigning a matter to an administrative law judge for hearing, the chief administrative law judge, upon consultation with affected parties and considering the procedures and principles established in sections 442A.01 to 442A.28, may require that disputes over proposed sanitary district creations, attachments, detachments, or dissolutions be addressed in whole or in part by means of alternative dispute resolution processes in place of, or in connection with, hearings that would otherwise be required under sections 442A.01 to 442A.28, including those provided in chapter 14.

(b) In all proceedings, the chief administrative law judge has the authority and responsibility to conduct hearings and issue final orders related to the hearings under sections 442A.01 to 442A.28.

Subd. 2. **Cost of proceedings.** (a) The parties to any matter directed to alternative dispute resolution under subdivision 1 must pay the costs of the alternative dispute resolution process or hearing in the proportions that the parties agree to.

(b) Notwithstanding section 14.53 or other law, the Office of Administrative Hearings is not liable for the costs.

(c) If the parties do not agree to a division of the costs before the commencement of mediation, arbitration, or hearing, the costs must be allocated on an equitable basis by the mediator, arbitrator, or chief administrative law judge.

(d) The chief administrative law judge may contract with the parties to a matter for the purpose of providing administrative law judges and reporters for an administrative proceeding or alternative dispute resolution.

(e) The chief administrative law judge shall assess the cost of services rendered by the Office of Administrative Hearings as provided by section 14.53.

Subd. 3. **Parties.** In this section, "party" means:

(1) a property owner, group of property owners, sanitary district, municipality, or township that files an initiating document or timely objection under this chapter;

(2) the sanitary district, municipality, or township within which the subject area is located;

(3) a municipality abutting the subject area; and

(4) any other person, group of persons, or governmental agency residing in, owning property in, or exercising jurisdiction over the subject area that submits a timely request and is determined by the presiding administrative law judge to have a direct legal interest that will be affected by the outcome of the proceeding.

Subd. 4. **Effectuation of agreements.** Matters resolved or agreed to by the parties as a result of an alternative dispute resolution process, or otherwise, may be incorporated into one or more stipulations for purposes of further proceedings according to the applicable procedures and statutory criteria of this chapter.

Subd. 5. **Limitations on authority.** Nothing in this section shall be construed to permit a sanitary district, municipality, town, or other political subdivision to take, or agree to take, an action that is not otherwise authorized by this chapter.

Sec. 32. **REPEALER.**

Minnesota Statutes 2012, sections 115.18, subdivisions 1, 3, 4, 5, 6, 7, 8, 9, and 10; 115.19; 115.20; 115.21; 115.22; 115.23; 115.24; 115.25; 115.26; 115.27; 115.28; 115.29; 115.30; 115.31; 115.32; 115.33; 115.34; 115.35; 115.36; and 115.37, are repealed.

Sec. 33. **EFFECTIVE DATE.**

Unless otherwise provided in this article, sections 1 to 32 are effective August 1, 2013."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the first semicolon, insert "providing for certification of wastewater laboratories; providing for sanitary districts;"

Correct the title numbers accordingly

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

The report was adopted.

Mullery from the Committee on Early Childhood and Youth Development Policy to which was referred:

H. F. No. 739, A bill for an act relating to human services; modifying provisions related to children and family services; changing data practices provisions; changing provisions related to contractual agreements with tribes, child care programs, community action agencies, the Minnesota family investment program, and reporting maltreatment; amending Minnesota Statutes 2012, sections 13.46, subdivision 2; 119B.02, subdivision 2; 119B.09, subdivisions 6, 13; 256E.30, by adding a subdivision; 256J.09, subdivision 3; 256J.20, subdivision 3; 256J.21, subdivision 2; 256J.24, subdivision 3; 256J.30, subdivisions 4, 12; 256J.32, subdivisions 6, 8; 256J.38, subdivision 6; 256J.49, subdivision 13; 256J.521, subdivisions 1, 2; 256J.53, subdivisions 2, 5; 256J.575, subdivision 7; 256J.621; 256J.626, subdivisions 7, 8; 256J.67; 256J.68, subdivisions 1, 2, 4, 7, 8; 256J.751, subdivision 2; 256K.26, subdivision 4; 626.556, subdivisions 2, 7, 11c; 626.5561, subdivision 1.

Reported the same back with the following amendments:

Page 5, line 25, delete "their family" and insert "relatives of the child"

Page 5, line 26, delete "members"

Page 7, after line 11, insert:

"Sec. 5. Minnesota Statutes 2012, section 256D.05, is amended by adding a subdivision to read:

Subd. 9. **Personal statement.** If a county agency determines that an applicant is ineligible due to not meeting eligibility requirements of this chapter, a county agency may accept a signed personal statement from the applicant in lieu of documentation verifying ineligibility.

Sec. 6. Minnesota Statutes 2012, section 256D.405, subdivision 1, is amended to read:

Subdivision 1. **Verification.** (a) The county agency shall request, and applicants and recipients shall provide and verify, all information necessary to determine initial and continuing eligibility and assistance payment amounts. If necessary, the county agency shall assist the applicant or recipient in obtaining verifications. If the applicant or recipient refuses or fails without good cause to provide the information or verification, the county agency shall deny or terminate assistance.

(b) If a county agency determines that an applicant is ineligible due to not meeting eligibility requirements of this chapter, a county agency may accept a signed personal statement from the applicant in lieu of documentation verifying ineligibility."

Page 7, after line 17, insert:

"Sec. 8. Minnesota Statutes 2012, section 256I.04, subdivision 1a, is amended to read:

Subd. 1a. **County approval.** (a) A county agency may not approve a group residential housing payment for an individual in any setting with a rate in excess of the MSA equivalent rate for more than 30 days in a calendar year unless the county agency has developed or approved a plan for the individual which specifies that:

(1) the individual has an illness or incapacity which prevents the person from living independently in the community; and

(2) the individual's illness or incapacity requires the services which are available in the group residence.

The plan must be signed or countersigned by any of the following employees of the county of financial responsibility: the director of human services or a designee of the director; a social worker; or a case aide.

(b) If a county agency determines that an applicant is ineligible due to not meeting eligibility requirements under this section, a county agency may accept a signed personal statement from the applicant in lieu of documentation verifying ineligibility."

Page 16, line 7, delete "as verification" and insert "in lieu of documentation verifying ineligibility"

Page 18, line 13, strike everything after the period

Page 18, strike lines 14 and 15

Page 18, line 16, strike everything before "Participants"

Page 21, delete section 20

Page 24, after line 2, insert:

"Sec. 24. Minnesota Statutes 2012, section 256J.626, subdivision 5, is amended to read:

Subd. 5. **Innovation projects.** Beginning January 1, 2005, no more than \$3,000,000 of the funds annually appropriated to the commissioner for use in the consolidated fund shall be available to the commissioner ~~for projects testing to reward high-performing counties and tribes, support promising practices, and test~~ innovative approaches to improving outcomes for MFIP participants, family stabilization services participants, and persons at risk of receiving MFIP as detailed in subdivision 3. Projects shall be targeted to geographic areas with poor outcomes as specified in section 256J.751, subdivision 5, or to subgroups within the MFIP case load who are experiencing poor outcomes.

Sec. 25. Minnesota Statutes 2012, section 256J.626, subdivision 6, is amended to read:

Subd. 6. **Base allocation to counties and tribes; definitions.** (a) For purposes of this section, the following terms have the meanings given.

(1) "2002 historic spending base" means the commissioner's determination of the sum of the reimbursement related to fiscal year 2002 of county or tribal agency expenditures for the base programs listed in clause (6), items (i) through (iv), and earnings related to calendar year 2002 in the base program listed in clause (6), item (v), and the amount of spending in fiscal year 2002 in the base program listed in clause (6), item (vi), issued to or on behalf of persons residing in the county or tribal service delivery area.

(2) "Adjusted caseload factor" means a factor weighted:

(i) 47 percent on the MFIP cases in each county at four points in time in the most recent 12-month period for which data is available multiplied by the county's caseload difficulty factor; and

(ii) 53 percent on the count of adults on MFIP in each county and tribe at four points in time in the most recent 12-month period for which data is available multiplied by the county or tribe's caseload difficulty factor.

(3) "Caseload difficulty factor" means a factor determined by the commissioner for each county and tribe based upon the self-support index described in section 256J.751, subdivision 2, clause (6).

(4) "Initial allocation" means the amount potentially available to each county or tribe based on the formula in paragraphs (b) through (d).

(5) "Final allocation" means the amount available to each county or tribe based on the formula in paragraphs (b) through (d), after adjustment by subdivision 7.

(6) "Base programs" means the:

(i) MFIP employment and training services under Minnesota Statutes 2002, section 256J.62, subdivision 1, in effect June 30, 2002;

(ii) bilingual employment and training services to refugees under Minnesota Statutes 2002, section 256J.62, subdivision 6, in effect June 30, 2002;

(iii) work literacy language programs under Minnesota Statutes 2002, section 256J.62, subdivision 7, in effect June 30, 2002;

(iv) supported work program authorized in Laws 2001, First Special Session chapter 9, article 17, section 2, in effect June 30, 2002;

(v) administrative aid program under section 256J.76 in effect December 31, 2002; and

(vi) emergency assistance program under Minnesota Statutes 2002, section 256J.48, in effect June 30, 2002.

(b) The commissioner shall:

(1) beginning July 1, 2003, determine the initial allocation of funds available under this section according to clause (2);

(2) allocate all of the funds available for the period beginning July 1, 2003, and ending December 31, 2004, to each county or tribe in proportion to the county's or tribe's share of the statewide 2002 historic spending base;

(3) determine for calendar year 2005 the initial allocation of funds to be made available under this section in proportion to the county or tribe's initial allocation for the period of July 1, 2003, to December 31, 2004;

(4) determine for calendar year 2006 the initial allocation of funds to be made available under this section based 90 percent on the proportion of the county or tribe's share of the statewide 2002 historic spending base and ten percent on the proportion of the county or tribe's share of the adjusted caseload factor;

(5) determine for calendar year 2007 the initial allocation of funds to be made available under this section based 70 percent on the proportion of the county or tribe's share of the statewide 2002 historic spending base and 30 percent on the proportion of the county or tribe's share of the adjusted caseload factor; and

(6) determine for calendar year 2008 and subsequent years the initial allocation of funds to be made available under this section based 50 percent on the proportion of the county or tribe's share of the statewide 2002 historic spending base and 50 percent on the proportion of the county or tribe's share of the adjusted caseload factor.

(c) With the commencement of a new or expanded tribal TANF program, or for tribes administering TANF as authorized under Laws 2011, First Special Session chapter 9, article 9, section 18, or an agreement under section 256.01, subdivision 2, paragraph (g), in which some or all of the responsibilities of particular counties under this section are transferred to a tribe, the commissioner shall:

(1) in the case where all responsibilities under this section are transferred to a tribe or tribal program, determine the percentage of the county's current caseload that is transferring to a tribal program and adjust the affected county's allocation and tribe's allocations accordingly; and

(2) in the case where a portion of the responsibilities under this section are transferred to a tribe or tribal program, the commissioner shall consult with the affected county or counties to determine an appropriate adjustment to the allocation.

(d) Effective January 1, 2005, counties and tribes will have their final allocations adjusted based on the performance provisions of subdivision 7."

Page 30, after line 24, insert:

"Sec. 36. Minnesota Statutes 2012, section 260C.503, subdivision 2, is amended to read:

Subd. 2. **Termination of parental rights.** (a) The responsible social services agency must ask the county attorney to immediately file a termination of parental rights petition when:

(1) the child has been subjected to egregious harm as defined in section 260C.007, subdivision 14;

(2) the child is determined to be the sibling of a child who was subjected to egregious harm;

(3) the child is an abandoned infant as defined in section 260C.301, subdivision 3, paragraph (b), clause (2);

(4) the child's parent has lost parental rights to another child through an order involuntarily terminating the parent's rights;

(5) the parent has committed sexual abuse as defined in section 626.556, subdivision 2, against the child or another child of the parent; or

~~(6) the parent has committed an offense that requires registration as a predatory offender under section 243.166, subdivision 1b, paragraph (a) or (b); or~~

~~(7)~~ (6) another child of the parent is the subject of an order involuntarily transferring permanent legal and physical custody of the child to a relative under this chapter or a similar law of another jurisdiction; or

The county attorney shall file a termination of parental rights petition unless the conditions of paragraph (d) are met.

(b) When the termination of parental rights petition is filed under this subdivision, the responsible social services agency shall identify, recruit, and approve an adoptive family for the child. If a termination of parental rights petition has been filed by another party, the responsible social services agency shall be joined as a party to the petition.

(c) If criminal charges have been filed against a parent arising out of the conduct alleged to constitute egregious harm, the county attorney shall determine which matter should proceed to trial first, consistent with the best interests of the child and subject to the defendant's right to a speedy trial.

(d) The requirement of paragraph (a) does not apply if the responsible social services agency and the county attorney determine and file with the court:

(1) a petition for transfer of permanent legal and physical custody to a relative under sections 260C.505 and 260C.515, subdivision 3, including a determination that adoption is not in the child's best interests and that transfer of permanent legal and physical custody is in the child's best interests; or

(2) a petition under section 260C.141 alleging the child, and where appropriate, the child's siblings, to be in need of protection or services accompanied by a case plan prepared by the responsible social services agency documenting a compelling reason why filing a termination of parental rights petition would not be in the best interests of the child.

Sec. 37. Minnesota Statutes 2012, section 260C.615, is amended to read:

260C.615 DUTIES OF COMMISSIONER.

Subdivision 1. **Duties Exclusive right to consent.** ~~(a)~~ For any child who is under the guardianship of the commissioner, the commissioner has the exclusive ~~rights~~ right to consent to:

(1) the medical care plan for the treatment of a child who is at imminent risk of death or who has a chronic disease that, in a physician's judgment, will result in the child's death in the near future including a physician's order not to resuscitate or intubate the child; and;

(i) a responsible social services agency requesting the commissioner's consent for a physician's order not to resuscitate or intubate or for an order for other end-of-life care must submit the request according to procedures established by the commissioner;

(ii) the commissioner may require consultation regarding the child's medical care with an ethics expert prior to responding to the request;

(iii) an ethics expert is a staff member who provides consultation on ethics issues or coordinates ethics reviews and is employed by or associated with a hospital designated by the commissioner; and

(iv) no individual or entity, including a hospital, providing ethics consultation to the commissioner under this subdivision incurs any civil or criminal liability for advice or opinions given regarding the care of the child, if the individual or entity acts in good faith and in accordance with applicable medical standards of care; and

(2) the child donating a part of the child's body to another person while the child is living; the decision to donate a body part under this clause shall take into consideration the child's wishes and the child's culture.

Subd. 1a. **Other duties.** ~~(b)~~ In addition to the exclusive rights under ~~paragraph (a)~~ subdivision 1, for children under guardianship of the commissioner, the commissioner has a duty to:

(1) process any complete and accurate request for home study and placement through the Interstate Compact on the Placement of Children under section 260.851;

(2) process any complete and accurate application for adoption assistance forwarded by the responsible social services agency according to chapter 259A;

(3) complete the execution of an adoption placement agreement forwarded to the commissioner by the responsible social services agency and return it to the agency in a timely fashion; and

(4) maintain records as required in chapter 259.

Subd. 2. **Duties not reserved.** All duties, obligations, and consents not specifically reserved to the commissioner in this section are delegated to the responsible social services agency.

Sec. 38. **[260D.12] TRIAL HOME VISITS; VOLUNTARY FOSTER CARE FOR TREATMENT.**

When a child is in foster care for treatment under this chapter, the child's parent and the responsible social services agency may agree that the child is returned to the care of a parent on a trial home visit. The purpose of the trial home visit is to provide sufficient planning for supports and services to the child and family to meet the child's needs following treatment so that the child can return to and remain in the parent's home. During the period of the trial home visit, the agency has placement and care responsibility for the child. The trial home visit shall not exceed six months and may be terminated by either the parent or the agency within ten days' written notice."

Page 32, line 6, strike "Sexual abuse includes"

Page 32, strike lines 7 to 10

Page 37, line 9, delete "voluntary"

Page 39, line 8, delete "voluntary"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, before "and" insert "general assistance, group residential housing,"

Correct the title numbers accordingly

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

The report was adopted.

Dill from the Committee on Environment and Natural Resources Policy to which was referred:

H. F. No. 778, A bill for an act relating to natural resources; providing for exchange of road easements; modifying forest management investment account; modifying State Timber Act; appropriating money; amending Minnesota Statutes 2012, sections 89.0385; 90.01, subdivisions 4, 5, 6, 8, 11; 90.031, subdivision 4; 90.041, subdivisions 2, 5, 6, 9, by adding subdivisions; 90.045; 90.061, subdivision 8; 90.101, subdivision 1; 90.121; 90.145; 90.151, subdivisions 1, 2, 3, 4, 6, 7, 8, 9; 90.161; 90.162; 90.171; 90.181, subdivision 2; 90.191, subdivision 1; 90.193; 90.195; 90.201, subdivision 2a; 90.211; 90.221; 90.252, subdivision 1; 90.301, subdivisions 2, 4; 90.41, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 84; 90; repealing Minnesota Statutes 2012, sections 90.163; 90.173; 90.41, subdivision 2.

Reported the same back with the following amendments:

Page 2, line 5, delete everything after "conditions."

Page 2, line 6, delete everything before "The"

Page 2, line 7, delete "other"

Page 5, lines 18 and 20, delete "successfully prosecuted" and insert "convicted"

Page 8, line 21, delete ", hauling."

Page 10, line 17, delete "authorized" and insert "required"

Page 13, after line 26, insert:

"Subd. 5. **Return of security.** Any security required under this section shall be returned to the purchaser within 60 days after the final scale."

Page 18, after line 24, insert:

"Sec. 43. **PERMIT CANCELLATION.**

Upon written request submitted by a permit holder to the commissioner of natural resources on or before June 1, 2015, the commissioner shall cancel any provision in a timber sale permit sold prior to September 1, 2012, that requires skidding, payment for, or removal of balsam fir when the permit contains at least 50 cords of balsam fir. The remaining provisions of the permit remain in effect."

Renumber the sections in sequence

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

The report was adopted.

Simon from the Committee on Elections to which was referred:

H. F. No. 799, A bill for an act relating to elections; enacting the Agreement Among the States to Elect the President by National Popular Vote; proposing coding for new law in Minnesota Statutes, chapter 208.

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

The report was adopted.

Mariani from the Committee on Education Policy to which was referred:

H. F. No. 826, A bill for an act relating to education; providing for safe and supportive schools; authorizing rulemaking; appropriating money; amending Minnesota Statutes 2012, sections 120B.36, subdivision 1; 121A.55; 121A.69, subdivision 3; 122A.18, subdivision 1; 122A.60, subdivisions 1a, 3; 124D.10, subdivision 8; 124D.895, subdivision 1; 124D.8955; 125B.15; 127A.42, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 121A; 127A; repealing Minnesota Statutes 2012, sections 121A.03; 121A.0695.

Reported the same back with the following amendments:

Page 3, line 34, delete "transmitted"

Page 3, line 36, after "of" insert "materially"

Page 4, line 28, after "by" insert "materially"

Page 4, line 35, after "transmitting" insert "or otherwise communicating"

Page 5, line 24, delete "and informal"

Page 5, line 31, delete "promptly report that information to the"

Page 5, line 32, delete "primary contact person" and insert "make reasonable efforts to address and resolve the prohibited conduct to the extent it does not materially disrupt the education process"

Page 5, line 33, after "(3)" insert "where prohibited conduct appears to materially disrupt the education process,"

Page 6, line 14, delete "refer" and insert "provide information about available community resources to" and delete "to counseling and mental"

Page 6, line 15, delete "or other health services"

Page 6, line 16, after "disability" insert "to prevent or respond to prohibited conduct"

Page 6, line 18, after the second "to" insert "or not engage in"

Page 8, line 32, delete "(a)"

Page 9, delete lines 3 and 4

Page 17, delete section 14 and insert:

"Sec. 14. [127A.051] SCHOOL CLIMATE COUNCIL.

Subdivision 1. Establishment and membership. (a) A multiagency leadership council is established to improve school climate and school safety so that all Minnesota students in prekindergarten through grade 12 schools and higher education institutions are provided with safe and welcoming learning environments in order to maximize each student's learning potential.

(b) The council shall consist of:

(1) the commissioners or their designees from the Departments of Education, Health, Human Rights, Human Services, Public Safety, and Corrections, and the Office of Higher Education;

(2) one representative each from the Board of Teaching, Board of School Administrators, Minnesota School Boards Association, Elementary School Principals Association, Association of Secondary School Principals, and Education Minnesota as selected by each organization;

(3) two representatives each of student support personnel, parents, and students as selected by the commissioner of education;

(4) two representatives of local law enforcement as selected by the commissioner of public safety; and

(5) two representatives of the judicial branch as selected by the chief justice of the Supreme Court.

Subd. 2. Duties. The council must provide leadership for the following activities:

(1) establishment of norms and standards for prevention, intervention, and support around issues of bullying, harassment, and intimidation;

(2) advancement of evidence-based policy and best practices to improve school climate and promote school safety; and

(3) development and dissemination of resources and training for schools and communities about issues of bullying, harassment, and intimidation and other school safety-related issues."

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

The report was adopted.

Dill from the Committee on Environment and Natural Resources Policy to which was referred:

H. F. No. 896, A bill for an act relating to natural resources; requiring the installation of electric fish barriers.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **ELECTRIC FISH BARRIER.**

The commissioner of natural resources shall enter into a contract to design an electric fish barrier using the most modern technology available for fish dispersal systems. The electric fish barrier must include a sweeping or active field barrier with sonar capable of being reconfigured into a graduated field fish barrier. The electric fish barrier shall be located at United States Army Corps of Engineers, St. Paul District, Lock and Dam 1. The commissioner shall award the contract no later than March 15, 2013.

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

Delete the title and insert:

"A bill for an act relating to natural resources; requiring contract to design electric fish barrier."

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 152, 195, 215, 582, 607, 687, 799 and 896 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Hausman and Murphy, E., introduced:

H. F. No. 1068, A bill for an act relating to capital investment; appropriating money for the Minnesota Museum of American Art; authorizing the sale and issuance of state bonds.

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

Lillie, Winkler and Hilstrom introduced:

H. F. No. 1069, A bill for an act relating to state government; ratifying labor agreements and compensation plans.

The bill was read for the first time and referred to the Committee on Labor, Workplace and Regulated Industries.

Hausman; Clark; Ward, J.E.; Gunther; Dettmer; Isaacson; Persell; Benson, J.; Lesch; Metsa; Swedzinski; Lillie; Fischer; Zerwas; Mariani and Carlson introduced:

H. F. No. 1070, A bill for an act relating to capital investment; appropriating money for public housing rehabilitation; authorizing bonds under the housing infrastructure bonds program; authorizing sale and issuance of state bonds; amending Minnesota Statutes 2012, section 462A.37, subdivisions 2, 4.

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

Poppe introduced:

H. F. No. 1071, A bill for an act relating to agriculture; making policy, technical, conforming, and clarifying changes to provisions related to agricultural law; modifying provisions related to pesticide control, agricultural resource loan and ethanol development, the Rural Finance Authority, grain buyers, and other agriculture-related provisions; establishing the Minnesota agricultural water quality program; modifying noxious weed law; modifying definition of E85; authorizing rulemaking; amending Minnesota Statutes 2012, sections 17.118, subdivision 2; 18.77, subdivisions 3, 4, 10, 12; 18.78, subdivision 3; 18.79, subdivisions 6, 13; 18.82, subdivision 1; 18.91, subdivisions 1, 2; 18B.01, by adding a subdivision; 18B.065, subdivision 2a; 18B.07, subdivisions 4, 5, 7; 18B.26, subdivision 3; 18B.316, subdivisions 1, 3, 4, 8, 9; 18B.37, subdivision 4; 31.94; 41A.105, subdivision 5; 41A.12, by adding a subdivision; 41B.04, subdivision 9; 223.17, by adding a subdivision; 232.22, by adding a subdivision; 296A.01, subdivision 19; proposing coding for new law in Minnesota Statutes, chapters 17; 18; repealing Minnesota Statutes 2012, sections 18.91, subdivisions 3, 5; 18B.07, subdivision 6; Minnesota Rules, parts 1505.0751, subparts 7, 8; 1510.0011, subparts 1, 4; 1510.0020; 1510.0030; 1510.0040; 1510.0050; 1510.0060; 1510.0070; 1510.0080; 1510.0090; 1510.0100; 1510.0111; 1510.0161; 1510.0171; 1510.0180; 1510.0200; 1510.0210; 1510.0220; 1510.0231; 1510.0241; 1510.0261; 1510.0340; 1510.0350; 1510.0360.

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

Bly and Loeffler introduced:

H. F. No. 1072, A bill for an act relating to local government; establishing a county alternative service delivery pilot program; providing for employees transferred to provide alternative service delivery under the pilot program; proposing coding for new law in Minnesota Statutes, chapter 375.

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

Hausman introduced:

H. F. No. 1073, A bill for an act relating to damages; requiring mutual agreement for damages arising from state mineral leases; amending Minnesota Statutes 2012, sections 93.05, subdivision 2; 93.55, subdivision 3; repealing Minnesota Statutes 2012, section 93.05, subdivision 3.

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

Mahoney, Hausman, Lesch, Mariani and Murphy, E., introduced:

H. F. No. 1074, A bill for an act relating to capital investment; appropriating money for St. Paul College; authorizing the sale and issuance of state bonds.

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

Falk, Hausman, Wagenius, Clark, Davnie, Bly and Murphy, M., introduced:

H. F. No. 1075, A bill for an act relating to energy; revising the annual fee transferred to the renewable development account for each cask of spent nuclear fuel stored in this state; amending Minnesota Statutes 2012, section 116C.779, subdivision 1.

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

Franson, Drazkowski and Wills introduced:

H. F. No. 1076, A bill for an act relating to public safety; prohibiting a law enforcement agency from using drones to gather evidence or other information; prohibiting use of drone by persons; providing criminal penalties; proposing coding for new law in Minnesota Statutes, chapters 624; 634.

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

Franson and Wills introduced:

H. F. No. 1077, A bill for an act relating to education; postsecondary; establishing the Education Internet Privacy Protection Act; providing penalties; proposing coding for new law as Minnesota Statutes, chapter 135B.

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

Franson introduced:

H. F. No. 1078, A bill for an act relating to taxation; individual income; allowing a credit for uncompensated medical care provided by physicians; amending Minnesota Statutes 2012, section 290.06, by adding a subdivision.

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

Benson, J., introduced:

H. F. No. 1079, A bill for an act relating to energy; renewable energy; allowing geothermal heating and cooling systems to apply to a utility's renewable energy obligation under certain conditions; amending Minnesota Statutes 2012, section 216B.1691, by adding a subdivision.

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

Davnie and Hornstein introduced:

H. F. No. 1080, A bill for an act relating to taxation; sales and use; adding an exemption for vehicles leased by nonprofit corporations; amending Minnesota Statutes 2012, section 297A.64, subdivisions 1, 2.

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

Allen, Holberg, Hortman, Rosenthal, Beard, Atkins, Lesch, Winkler, Drazkowski and Liebling introduced:

H. F. No. 1081, A bill for an act relating to forfeiture; shifting the burden of proof to the prosecutor in an innocent owner case involving off-highway vehicles, DWI, designated offenses, controlled substance offenses, fleeing offenses, and prostitution offenses; codifying and expanding the homestead exemption; allowing innocent owners to reclaim vehicle if equipped with ignition interlock device; creating criminal penalties; amending Minnesota Statutes 2012, sections 84.7741, subdivision 7; 169A.63, subdivisions 4, 7, 9; 609.531, subdivision 1, by adding subdivisions; 609.5311, subdivision 3; 609.5312, subdivisions 2, 3, 4; 609.5318, subdivision 5.

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

Allen, Holberg, Hortman, Rosenthal, Beard, Atkins, Lesch, Winkler, Drazkowski, Liebling and Simon introduced:

H. F. No. 1082, A bill for an act relating to forfeiture; requiring a conviction for judicial forfeiture of property associated with controlled substance offenses and vehicles used in drive-by shootings; eliminating presumption for administrative forfeiture; amending Minnesota Statutes 2012, sections 609.531, subdivision 6a; 609.5313; 609.5314, subdivisions 2, 3; 609.5316, subdivision 3; 609.5318, subdivision 1; repealing Minnesota Statutes 2012, section 609.5314, subdivision 1.

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

Simon, Winkler, Beard, Melin, Schomacker, Kelly, Hornstein, Bernardy, Mariani, Sanders and Hoppe introduced:

H. F. No. 1083, A bill for an act relating to judicial selection; proposing an amendment to the Minnesota Constitution, article VI, sections 7 and 8; establishing retention elections for judges; creating a judicial performance evaluation commission; appropriating money; amending Minnesota Statutes 2012, sections 10A.01, subdivisions 7, 10, 15; 10A.14, subdivision 1; 10A.20, subdivision 2; 204B.06, subdivision 6; 204B.11, by adding a subdivision; 204B.34, subdivision 3; 204B.36, subdivision 4; 480B.01, subdivisions 1, 10; proposing coding for new law in Minnesota Statutes, chapters 204D; 480B; 490A; repealing Minnesota Statutes 2012, sections 204B.36, subdivision 5; 204D.14, subdivision 3.

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

Kelly, Morgan and Atkins introduced:

H. F. No. 1084, A bill for an act relating to energy; regulating utility recovery of transmission costs; amending Minnesota Statutes 2012, section 216B.16, subdivision 7b; proposing coding for new law in Minnesota Statutes, chapter 216B.

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

Erhardt introduced:

H. F. No. 1085, A bill for an act relating to taxation; individual income; imposing a temporary income tax surtax; amending Minnesota Statutes 2012, section 290.06, by adding a subdivision.

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

Erhardt introduced:

H. F. No. 1086, A bill for an act relating to taxation; individual income; increasing rates; amending Minnesota Statutes 2012, sections 290.06, subdivisions 2c, 2d; 290.091, subdivisions 1, 2, 6.

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

Ward, J.A., introduced:

H. F. No. 1087, A bill for an act relating to animals; dogs and cats; establishing liability for attacks by cats; amending Minnesota Statutes 2012, section 347.22.

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

Fischer, Moran, Fritz, Norton, Abeler and Lillie introduced:

H. F. No. 1088, A bill for an act relating to human services; appropriating money for adult mental health grants for supportive housing.

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

Mariani; Woodard; Erickson, S.; Isaacson and Davnie introduced:

H. F. No. 1089, A bill for an act relating to education; modifying charter school provisions; amending Minnesota Statutes 2012, section 124D.10, subdivisions 4, 4a, 11, 23.

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

Schoen, Atkins and Davids introduced:

H. F. No. 1090, A bill for an act relating to the State Lottery; establishing electronic lottery terminals; proposing coding for new law in Minnesota Statutes, chapter 349A.

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

Isaacson; Uglem; Persell; Ward, J.E.; Gunther; Winkler; Erickson, R.; Radinovich; Bly; Freiberg and Johnson, S., introduced:

H. F. No. 1091, A bill for an act relating to natural resources; modifying aquatic invasive species provisions; modifying invasive species penalties and enforcement; amending Minnesota Statutes 2012, sections 84D.01, subdivision 15a; 84D.03, subdivision 4; 84D.09; 84D.10, subdivisions 1, 4; 84D.105, subdivision 2; 84D.11, by adding subdivisions; 84D.13, subdivision 2, by adding a subdivision; 86B.13, by adding a subdivision; repealing Minnesota Statutes 2012, section 84D.01, subdivision 22.

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

Poppe; Davids; Hamilton; Marquart; Swedzinski; Faust; Torkelson; Ward, J.E.; Fabian; Kiel; Anderson, P.; McNamar; Fritz; Petersburg; Falk; Johnson, C.; Erickson, R.; FitzSimmons; Nornes and Kresha introduced:

H. F. No. 1092, A bill for an act relating to taxation; estate; making changes to exclusions for qualified small business property and qualified farm property; amending Minnesota Statutes 2012, section 291.03, subdivisions 8, 9, 10, 11.

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

Garofalo introduced:

H. F. No. 1093, A bill for an act relating to energy; requiring the Public Utilities Commission to analyze distributed solar generation.

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

Persell; Johnson, S., and Mahoney introduced:

H. F. No. 1094, A bill for an act relating to occupational safety; providing standards for recovery of embedded equipment and vehicles; proposing coding for new law in Minnesota Statutes, chapter 182.

The bill was read for the first time and referred to the Committee on Labor, Workplace and Regulated Industries.

Metsa, Erhardt, Hornstein, Beard and Anzelc introduced:

H. F. No. 1095, A bill for an act relating to public safety; motor vehicles; clarifying registration rules and periods; modifying rules pertaining to trip permits; modifying the design for veterans special plates; modifying record retention requirements; making changes to conform with federal requirements; authorizing background

checks of certain department employees; clarifying language pertaining to senior identification cards; making technical corrections; amending Minnesota Statutes 2012, sections 168.017, subdivisions 2, 3; 168.053, subdivision 1; 168.123, subdivision 2; 168.183, subdivision 1; 168.187, subdivision 17; 168.27, subdivisions 10, 11, by adding a subdivision; 168A.153, subdivisions 1, 2; 171.01, subdivision 49b; 171.07, subdivisions 3a, 4; proposing coding for new law in Minnesota Statutes, chapter 171; repealing Minnesota Statutes 2012, section 168.094.

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

Rosenthal; Ward, J.E., and Kelly introduced:

H. F. No. 1096, A bill for an act relating to public safety; reenacting an expired program authorizing the release from prison of certain nonviolent controlled substance offenders; proposing coding for new law in Minnesota Statutes, chapter 244.

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

Dorholt; Winkler; McNamar; Davids; Rosenthal; Lien; FitzSimmons; Lesch; Johnson, S.; Abeler; Bly and Hornstein introduced:

H. F. No. 1097, A bill for an act relating to taxation; income and franchise; providing a refundable credit for payment of principal and interest on student loans; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 290.

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

Brynaert; Johnson, C., and Hausman introduced:

H. F. No. 1098, A bill for an act relating to capital investment; appropriating money for the Minnesota River State Trail; authorizing the sale and issuance of state bonds.

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

Davnie, Mariani, Moran, Bernardy, Abeler, Selcer and Ward, J.A., introduced:

H. F. No. 1099, A bill for an act relating to education finance; modifying integration revenue; amending Minnesota Statutes 2012, section 124D.86; Laws 2011, First Special Session chapter 11, article 2, section 51; repealing Minnesota Statutes 2012, section 124D.86, subdivision 6.

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

Wagenius and Winkler introduced:

H. F. No. 1100, A bill for an act relating to environment; modifying water supply management; modifying environmental assessment worksheet requirements related to water use; amending Minnesota Statutes 2012, sections 103G.265, subdivisions 2, 3; 103G.287, subdivision 5; 116D.04, by adding a subdivision.

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

Newton introduced:

H. F. No. 1101, A bill for an act relating to capital investment; appropriating money for local roads in Blaine; authorizing the sale and issuance of state bonds.

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

Zerwas, Schoen, Pugh, Mullery and Paymar introduced:

H. F. No. 1102, A bill for an act relating to public safety; modifying certain provisions regarding the Forensic Laboratory Advisory Board; appropriating money; amending Minnesota Statutes 2012, section 299C.156.

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

Newton, Abeler, Uglem and Hortman introduced:

H. F. No. 1103, A bill for an act relating to education finance; providing a minimum level of compensatory funding for each school district; amending Minnesota Statutes 2012, section 126C.10, subdivision 3.

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

Quam introduced:

H. F. No. 1104, A bill for an act relating to transportation; highways; requiring placement of sign on marked Trunk Highway 52.

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

Quam and Benson, M., introduced:

H. F. No. 1105, A bill for an act relating to transportation; bridges; limiting bridge engineering, design, and construction costs in smaller cities; amending Minnesota Statutes 2012, section 174.50, subdivision 6b.

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

Allen, Abeler and Huntley introduced:

H. F. No. 1106, A bill for an act relating to human services; establishing a child protection screening work group for the purpose of establishing consistency in child protection screening; requiring a report; amending Minnesota Statutes 2012, section 626.556, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Early Childhood and Youth Development Policy.

Quam; Norton; Liebling; Benson, M., and Petersburg introduced:

H. F. No. 1107, A bill for an act relating to transportation; appropriating money for reconstruction of marked Trunk Highway 14; authorizing the sale and issuance of trunk highway bonds.

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

Bly, Mariani, Isaacson and Moran introduced:

H. F. No. 1108, A bill for an act relating to education; establishing additional accountability measures for charter schools serving at-risk student populations; amending Minnesota Statutes 2012, section 124D.10, subdivision 10.

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

Torkelson, Lesch, Gunther and Mahoney introduced:

H. F. No. 1109, A bill for an act relating to taxation; liquor; modifying the definition of a qualified brewer; amending Minnesota Statutes 2012, section 297G.04, subdivision 2.

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

Ward, J.A.; Johnson, S.; Hansen; Schoen and Fischer introduced:

H. F. No. 1110, A bill for an act relating to natural resources; appropriating money for eradication and control of Grecian foxglove.

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

Newton, Marquart and Hertaus introduced:

H. F. No. 1111, A bill for an act relating to education finance; incorporating the health and safety revenue program into the deferred maintenance revenue program; setting a per pupil formula allowance for the program; amending Minnesota Statutes 2012, sections 123B.57, subdivisions 2, 6; 123B.59, subdivisions 1, 4; 123B.591; repealing Minnesota Statutes 2012, section 123B.57, subdivisions 1, 3, 4, 5, 6a, 6b, 6c, 7.

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

Winkler introduced:

H. F. No. 1112, A bill for an act relating to business organizations; modifying certain duties and responsibilities of the secretary of state; amending Minnesota Statutes 2012, sections 5.002; 308B.215, subdivision 1; 321.0809; 321.0906; 321.1206; 323A.1102; 333.055, subdivision 2; 333.22, subdivision 2; 336.9-531; 336A.14.

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

Wagenius, Persell, Torkelson, Fabian and Lillie introduced:

H. F. No. 1113, A bill for an act relating to natural resources; appropriating money from environment and natural resources trust fund; modifying requirements for land acquisition with trust fund money; amending Minnesota Statutes 2012, sections 116P.15; 116P.16; proposing coding for new law in Minnesota Statutes, chapter 116P.

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

Abeler; Ward, J.A., and Lesch introduced:

H. F. No. 1114, A bill for an act relating to human services; modifying provisions related to licensing data, human services licensing, child care programs, financial fraud and abuse investigations, and vendors of chemical dependency treatment services; amending Minnesota Statutes 2012, sections 13.46, subdivisions 3, 4; 119B.125, subdivision 1b; 168.012, subdivision 1; 171.07, subdivision 1a; 245A.02, subdivision 5a; 245A.04, subdivisions 1, 5, 11; 245A.06, subdivision 1; 245A.07, subdivisions 2, 3, by adding a subdivision; 245A.08, subdivisions 2a, 5a; 245A.146, subdivisions 3, 4; 245A.50, subdivision 4; 245A.65, subdivision 1; 245A.66, subdivision 1; 245B.02, subdivision 10; 245B.04; 245B.05, subdivisions 1, 7; 245B.07, subdivisions 5, 9, 10; 254B.05, subdivision 5; 268.19, subdivision 1; 471.346; proposing coding for new law in Minnesota Statutes, chapter 245A; repealing Minnesota Statutes 2012, sections 245B.02, subdivision 8a; 245B.07, subdivision 7a.

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

Allen introduced:

H. F. No. 1115, A bill for an act relating to health; making changes to the Medical Practice Act; amending Minnesota Statutes 2012, sections 147.001; 147.01, subdivision 1; 147.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 147.

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

Peppin and Atkins introduced:

H. F. No. 1116, A bill for an act relating to trademarks; defining trademark bullying; modifying remedies; amending Minnesota Statutes 2012, sections 333.18, by adding a subdivision; 333.29, subdivision 1.

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

Huntley introduced:

H. F. No. 1117, A bill for an act relating to human services; modifying provisions related to chemical and mental health and human services licensing; establishing methadone treatment program standards; modifying drug treatment provisions; amending Minnesota Statutes 2012, sections 254B.04, by adding a subdivision; 254B.05, subdivision 1b; proposing coding for new law in Minnesota Statutes, chapter 245A.

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

Freiberg introduced:

H. F. No. 1118, A bill for an act relating to bonds; modifying requirements for bond security; amending Minnesota Statutes 2012, section 574.01.

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

Freiberg; Wills; Hackbarth; Garofalo; Pugh; Hansen; Kahn; Benson, J.; Ward, J.A.; Wagenius; Carlson; Dehn, R.; Winkler; Fischer; Loon; Clark; Paymar; Peppin; Davnie; Hausman; Schoen; Abeler; Hoppe; Albright; Isaacson; Lohmer; Uglem; Anderson, S.; Loeffler; Beard; Halverson; Runbeck; Mack; Hertaus and Atkins introduced:

H. F. No. 1119, A bill for an act relating to natural resources; appropriating money for wildlife habitat enhancement and restoration in metropolitan regional parks.

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

Freiberg introduced:

H. F. No. 1120, A bill for an act relating to state government; requiring service on all parties for judicial review of contested case; amending Minnesota Statutes 2012, section 14.63.

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

Norton and Abeler introduced:

H. F. No. 1121, A bill for an act relating to human services; modifying prepaid health plans to improve screening, diagnosis, and treatment of young children with autism spectrum disorder or other developmental conditions; amending Minnesota Statutes 2012, sections 256.01, by adding a subdivision; 256B.69, subdivisions 5a, 9, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Early Childhood and Youth Development Policy.

Persell, Hansen, Falk, Kahn and Wagenius introduced:

H. F. No. 1122, A bill for an act relating to water; modifying the Clean Water Legacy Act to improve accountability; amending Minnesota Statutes 2012, sections 114D.15, subdivision 11; 114D.25, by adding subdivisions; 114D.50, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 114D.

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

Simon introduced:

H. F. No. 1123, A bill for an act relating to elections; amending process to be placed on primary ballots for constitutional officers; changing the date of the state primary from August to June; changing the data of primary elections conducted by a political subdivision in certain circumstances; allowing for the description "endorsed" on

general election ballots; amending Minnesota Statutes 2012, sections 204B.03; 204B.06, subdivision 2; 204B.14, subdivisions 2, 4; 204B.21, subdivision 1; 204B.27, subdivision 2; 204B.36, subdivision 2; 204D.03, subdivision 1; 204D.07, subdivision 2; 204D.09, subdivision 1; 204D.28, subdivision 5; 205.065, subdivisions 1, 2; 205A.03, subdivisions 1, 2; 205A.06, subdivision 1a; 205A.11, subdivision 2a; 206.61, subdivision 5; 206.82, subdivision 2.

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

Fritz; Atkins; Murphy, E.; Abeler and Huntley introduced:

H. F. No. 1124, A bill for an act relating to nursing; modifying definitions in the Minnesota Nurse Practicing Act; amending Minnesota Statutes 2012, sections 148.171, subdivisions 14, 15, by adding subdivisions; 148.271; repealing Minnesota Statutes 2012, section 148.171, subdivision 12; Minnesota Rules, part 6321.0100.

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

Loeffler introduced:

H. F. No. 1125, A bill for an act relating to health; making changes to the violence prevention education program for school districts; establishing a prevention of sexual violence work group; establishing grants; appropriating money; amending Minnesota Statutes 2012, section 120B.22.

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

Winkler introduced:

H. F. No. 1126, A bill for an act relating to public safety; expanding criminal sexual conduct offenses for persons in current or recent positions of authority over juveniles; amending Minnesota Statutes 2012, sections 609.341, subdivision 10; 609.342, subdivision 1; 609.343, subdivision 1; 609.344, subdivision 1; 609.345, subdivision 1.

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

McNamar introduced:

H. F. No. 1127, A bill for an act relating to transportation; traffic regulations; vehicle weight restrictions; establishing quarry vehicle permits; proposing coding for new law in Minnesota Statutes, chapter 169.

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

Metsa and Anzelc introduced:

H. F. No. 1128, A bill for an act relating to taxation; property; providing a tax credit for pollution control property; repealing the property tax exemption for certain pollution control property; amending Minnesota Statutes 2012, sections 272.02, subdivision 10; 290.06, by adding a subdivision.

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

Metsa and Anzelc introduced:

H. F. No. 1129, A bill for an act relating to taxation; property; modifying the pollution control exemption for electric generation systems; amending Minnesota Statutes 2012, section 272.02, subdivision 10.

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

Bly and Falk introduced:

H. F. No. 1130, A bill for an act relating to energy; establishing rate schedules for certain renewable energy projects; establishing surcharge on electricity consumption; requiring reports; proposing coding for new law in Minnesota Statutes, chapter 216B.

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

Mahoney, Hausman and Murphy, E., introduced:

H. F. No. 1131, A bill for an act relating to capital investment; appropriating money for expansion of the University Enterprise Laboratories building; authorizing the sale and issuance of state bonds.

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

Hortman, Clark, Abeler, Huntley, Liebling, Fritz and Newton introduced:

H. F. No. 1132, A bill for an act relating to human services; appropriating money for long-term homeless supportive services.

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

Hansen, by request, introduced:

H. F. No. 1133, A bill for an act relating to environment; providing for permitting efficiency; modifying terms for certain permits; creating a pollution control ombudsperson; modifying environmental review petition requirements; appropriating money; amending Minnesota Statutes 2012, sections 84.027, subdivision 14a, by adding a subdivision; 116.03, subdivision 2b, by adding subdivisions; 116D.04, subdivision 2a.

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

Dehn, R.; Radinovich; Rosenthal; Simon; Isaacson; Freiberg; Nelson; Lesch; Melin; Yarusso; Clark; Kahn; Simonson; Selcer; Schoen and Lien introduced:

H. F. No. 1134, A bill for an act relating to elections; providing for early voting; appropriating money; amending Minnesota Statutes 2012, sections 201.022, subdivision 1; 203B.001; 203B.01, by adding a subdivision; 203B.03, subdivision 1; 203B.05, subdivision 1; 203B.081; 203B.085; 203B.121, subdivisions 1, 3, 4, 5, by adding a subdivision; 204B.28, subdivision 2; 206.82, subdivision 1; 206.83; proposing coding for new law in Minnesota Statutes, chapter 203B.

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

Winkler; Cornish; Bly; Johnson, S.; Hortman and Lien introduced:

H. F. No. 1135, A bill for an act relating to witness testimony; providing for manner of child testimony; providing for support person for child and certain adult witnesses; proposing coding for new law in Minnesota Statutes, chapters 595; 631; repealing Minnesota Statutes 2012, section 631.046.

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

Liebling introduced:

H. F. No. 1136, A bill for an act relating to health; changing licensing requirements for businesses regulated by the Board of Pharmacy; clarifying requirements for compounding; amending Minnesota Statutes 2012, sections 151.01, subdivisions 14, 30, by adding subdivisions; 151.19, subdivisions 1, 3; 151.44; 151.47, subdivision 1, by adding a subdivision; 151.49; proposing coding for new law in Minnesota Statutes, chapter 151; repealing Minnesota Statutes 2012, sections 151.19, subdivision 2; 151.25; 151.45; 151.47, subdivision 2; 151.48.

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

Mahoney introduced:

H. F. No. 1137, A bill for an act relating to unemployment insurance; making federal conformity, policy, and housekeeping changes; amending Minnesota Statutes 2012, sections 116L.17, subdivision 4, by adding a subdivision; 268.033; 268.035, subdivisions 2, 4, 11, 12, 15, 22, 29; 268.042, subdivision 1; 268.043; 268.051, subdivisions 4a, 5; 268.057, subdivisions 5, 7; 268.0625, subdivision 4; 268.069, subdivision 3; 268.07, subdivisions 1, 3b; 268.085, subdivisions 3, 4, 5, 6; 268.0865, subdivisions 3, 4; 268.095, subdivisions 2, 3; 268.103, subdivision 2a; 268.105; 268.131, subdivision 1; 268.136, subdivisions 1, 2, 3, 4, 5, by adding subdivisions; 268.18, subdivisions 1, 2b; 268.184, subdivision 1a; 268.186; 268.192, subdivision 1a; 268.194, subdivision 1; 268.196, subdivision 1; 268.215; 268.23; Laws 2012, chapter 201, article 1, section 3; proposing coding for new law in Minnesota Statutes, chapter 268; repealing Minnesota Rules, parts 3310.2905, subpart 2; 3310.2910; 3310.2914, subpart 1; 3310.2916; 3310.2919; 3310.2920; 3315.0200, subpart 1; 3315.0203; 3315.0211; 3315.0212; 3315.0213; 3315.0501, subparts 1, 2; 3315.0555, subpart 1; 3315.0801; 3315.0805; 3315.0810; 3315.0815; 3315.0820; 3315.0825; 3315.0830; 3315.0835; 3315.0840; 3315.0845; 3315.0901; 3315.0905; 3315.1001; 3315.1010.

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

Newton, Howe and Lesch introduced:

H. F. No. 1138, A bill for an act relating to the military; updating the Minnesota Code of Military Justice; providing clarifying language; amending Minnesota Statutes 2012, sections 192A.02, subdivision 1; 192A.045, subdivision 3; 192A.095; 192A.10; 192A.105; 192A.11, subdivision 1; 192A.111; 192A.13; 192A.20; 192A.235, subdivision 3; 192A.605; 192A.62; 192A.66; proposing coding for new law in Minnesota Statutes, chapter 192A; repealing Minnesota Statutes 2012, sections 192A.085; 192A.11, subdivisions 2, 3.

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

Liebling introduced:

H. F. No. 1139, A bill for an act relating to human services; modifying provisional discharge for the Minnesota sex offender program; modifying victim notification of discharge or release of person in the Minnesota sex offender program; amending Minnesota Statutes 2012, sections 253B.18, subdivision 5a; 253B.185, subdivisions 10, 12, 13, 14, 14a; 253B.19, subdivision 3; 611A.06, subdivisions 1, 2.

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

Mullery introduced:

H. F. No. 1140, A bill for an act relating to civil actions; modifying civil liability for labor and sex trafficking crimes; allowing prosecutor to seek injunctive relief; proposing coding for new law in Minnesota Statutes, chapter 299A; repealing Minnesota Statutes 2012, section 609.284, subdivision 2.

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

Moran, Mullery and Abeler introduced:

H. F. No. 1141, A bill for an act relating to education; qualifying certain homeless children for early educational services; requiring a report; amending Minnesota Statutes 2012, sections 125A.02, subdivision 1a; 125A.30.

The bill was read for the first time and referred to the Committee on Early Childhood and Youth Development Policy.

Moran and Fritz introduced:

H. F. No. 1142, A bill for an act relating to human services; creating the Minnesota Families and Children Assistance Program Act; modifying the MFIP and child care assistance programs; providing directions to commissioner; instructing the revisor to change certain terminology; appropriating money; amending Minnesota Statutes 2012, sections 16A.152, subdivision 2; 119B.05, subdivision 1; 256J.08, by adding a subdivision; 256J.24, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 256J; repealing Minnesota Statutes 2012, section 256J.24, subdivision 6.

The bill was read for the first time and referred to the Committee on Early Childhood and Youth Development Policy.

Poppe introduced:

H. F. No. 1143, A bill for an act relating to health; requiring mandatory rabies vaccination for dogs and proof of vaccination; providing criminal penalties; proposing coding for new law in Minnesota Statutes, chapter 346.

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

Hortman introduced:

H. F. No. 1144, A bill for an act relating to human services; clarifying an exception to the transfer penalty for medical assistance eligibility; amending Minnesota Statutes 2012, sections 256B.056, subdivision 3b; 256B.0595, subdivision 1.

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

Brynaert and Erickson, S., introduced:

H. F. No. 1145, A bill for an act relating to libraries; appropriating money for online homework help services.

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

Morgan introduced:

H. F. No. 1146, A bill for an act relating to energy; solar energy; requiring the Public Utilities Commission to initiate a proceeding regarding interconnection of distributed generation facilities; providing for the establishment and operation of community solar generating facilities; amending provisions governing the ownership of renewable energy credits; establishing residential solar design standards; amending Minnesota Statutes 2012, sections 216B.02, subdivision 4; 216B.1611, subdivision 2; 216B.1691, subdivisions 1, 4; proposing coding for new law in Minnesota Statutes, chapters 216B; 500.

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

Dehn, R.; Hansen; Hortman and Morgan introduced:

H. F. No. 1147, A bill for an act relating to energy; defining terms in the energy improvements program for local governments; amending Minnesota Statutes 2012, sections 216C.435, subdivision 8, by adding a subdivision; 216C.436, subdivision 2; 429.101, subdivision 2.

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

Dehn, R., and Anderson, M., introduced:

H. F. No. 1148, A bill for an act relating to transportation; highways; modifying the special account for I-394 parking facilities; amending Minnesota Statutes 2012, section 161.1231, subdivision 8.

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

Dehn, R., and Morgan introduced:

H. F. No. 1149, A bill for an act relating to education; establishing a 13th grade pilot project; appropriating money.

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

Winkler, Nornes and Brynaert introduced:

H. F. No. 1150, A bill for an act relating to higher education; providing funding for the Minitex and MnLINK Gateway programs; appropriating money.

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

Mariani, Bly, Sawatzky, Yarusso, Isaacson and Erickson, R., introduced:

H. F. No. 1151, A bill for an act relating to education; modifying policies for early childhood through grade 12 education, including general education, education excellence, special programs, libraries, and early childhood education; authorizing rulemaking; amending Minnesota Statutes 2012, sections 15.059, subdivision 5b; 120A.41; 120B.02; 120B.021, subdivision 1; 120B.023; 120B.024; 120B.15; 120B.30, subdivision 1; 120B.31, subdivision 1; 123B.88, subdivision 22; 124D.10; 124D.122; 124D.79, subdivision 1, by adding a subdivision; 125A.27, subdivisions 8, 11, 14; 125A.28; 125A.29; 125A.30; 125A.32; 125A.33; 125A.35, subdivision 1; 125A.36; 125A.43; 126C.10, subdivision 14; 260A.02, subdivision 3; 260A.03; 260A.05, subdivision 1; 260A.07, subdivision 1; Laws 2011, First Special Session chapter 11, article 7, section 2, subdivision 8, as amended; proposing coding for new law in Minnesota Statutes, chapters 120B; 124D; repealing Minnesota Statutes 2012, section 125A.35, subdivisions 4, 5; Minnesota Rules, parts 3501.0505; 3501.0510; 3501.0515; 3501.0520; 3501.0525; 3501.0530; 3501.0535; 3501.0540; 3501.0545; 3501.0550.

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

Murphy, M., introduced:

H. F. No. 1152, A bill for an act relating to retirement; volunteer firefighter relief associations; defining a relief association fiscal year; clarifying leaves exempted from minimum resumption service requirements for break-in-service service credit; mandating municipal approval for certain interest rates creditable to deferred service credits; amending Minnesota Statutes 2012, sections 69.771, subdivision 1; 69.774, subdivision 1; 424A.001, by adding a subdivision; 424A.01, subdivision 6; 424A.015, subdivisions 1, 4; 424A.016, subdivision 6; 424A.02, subdivision 7; 424A.10, subdivisions 1, 2; repealing Minnesota Statutes 2012, section 424A.10, subdivision 5.

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

Persell and Kahn introduced:

H. F. No. 1153, A bill for an act relating to natural resources; appropriating money for upper Mississippi River comprehensive plan grants.

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

Ward, J.E., and Radinovich introduced:

H. F. No. 1154, A bill for an act relating to capital investment; appropriating money for water and sanitary sewer service to the Brainerd Lakes Regional Airport; authorizing the sale and issuance of state bonds.

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

Mullery introduced:

H. F. No. 1155, A bill for an act relating to environment; establishing the Environmental Justice Act; proposing coding for new law in Minnesota Statutes, chapter 116B.

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

Fritz and Bly introduced:

H. F. No. 1156, A bill for an act relating to human services; modifying parental contribution amounts; amending Minnesota Statutes 2012, section 252.27, subdivision 2a.

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

Norton; Benson, M., and Fritz introduced:

H. F. No. 1157, A bill for an act relating to human services; modifying medical assistance provisions related to quality assurance; amending Minnesota Statutes 2012, sections 256B.095; 256B.0951, subdivisions 1, 4; 256B.0952, subdivisions 1, 5; 256B.0955; 256B.097, subdivisions 1, 3; repealing Minnesota Statutes 2012, section 256B.096, subdivisions 1, 2, 3, 4.

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

Marquart introduced:

H. F. No. 1158, A bill for an act relating to governmental operations; establishing a school climate council and a school climate center; proposing coding for new law in Minnesota Statutes, chapter 121A.

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

Persell and Anzelc introduced:

H. F. No. 1159, A bill for an act relating to state lands; providing for public sale of certain tax-forfeited land bordering public waters in Cass County.

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

Hilstrom introduced:

H. F. No. 1160, A bill for an act relating to judiciary; appropriating money for judiciary, Guardian Ad Litem Board, Tax Court, Board on Judicial Standards, Board of Public Defense, Uniform Laws Commission, and Sentencing Guidelines Commission.

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

Dill introduced:

H. F. No. 1161, A bill for an act relating to outdoor heritage; establishing property tax valuation criteria for conservation easements purchased with outdoor heritage funds; amending Minnesota Statutes 2012, section 273.117.

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

Hornstein and Beard introduced:

H. F. No. 1162, A bill for an act relating to transportation; highways; amending MnPASS authority and revenue allocation; amending Minnesota Statutes 2012, sections 160.845; 160.93, subdivisions 1, 2.

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

Isaacson, Allen, Masin and Hornstein introduced:

H. F. No. 1163, A bill for an act relating to natural resources; reinstating the five-year moratorium on wolf hunting; amending Minnesota Statutes 2012, section 97B.645, subdivision 9.

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

Laine introduced:

H. F. No. 1164, A bill for an act relating to human services; modifying medical assistance managed care contracts; amending Minnesota Statutes 2012, section 256B.69, subdivision 5a.

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

Hansen introduced:

H. F. No. 1165, A bill for an act relating to capital investment; appropriating money for a regional trail bridge; authorizing the sale and issuance of state bonds.

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

Erickson, S., introduced:

H. F. No. 1166, A bill for an act relating to education; allowing teacher candidates who do not pass the basic skills exam to teach under a temporary license; amending Minnesota Statutes 2012, sections 122A.09, subdivision 4; 122A.18, subdivision 2.

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

Melin, Hornstein, Atkins, Masin, Falk and Metsa introduced:

H. F. No. 1167, A bill for an act relating to energy; allocating certain funds from the renewable development account; creating an account; providing for financial incentives for solar photovoltaic modules manufactured in Minnesota; requiring studies; appropriating money; amending Minnesota Statutes 2012, section 116C.779, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 216C.

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

Dill introduced:

H. F. No. 1168, A bill for an act relating to state lands; authorizing public or private sale of tax-forfeited lands bordering public waters.

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

Dill introduced:

H. F. No. 1169, A bill for an act relating to taxation; tax increment financing; extending period for city of Ely to collect increment; modifying expenditures allowed outside district.

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

Falk, Bly, Hortman, Atkins, Hansen, Hornstein, Mahoney, Anzelc and Winkler introduced:

H. F. No. 1170, A bill for an act relating to energy; amending the maximum capacity at which small electricity generators qualify for net metering; amending the definition of a rate at which small generators may elect to be paid by utilities; amending the treatment of a purchase from a small generator by a nongenerating utility supplied by a municipal power agency; amending Minnesota Statutes 2012, section 216B.164, subdivisions 3, 5, 6, by adding a subdivision.

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

Dehn, R., introduced:

H. F. No. 1171, A bill for an act relating to capital investment; appropriating money for renovation of the historic Masonic Temple at the Hennepin Center for the Arts, in Minneapolis; authorizing the sale and issuance of state bonds.

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

Dehn, R., and Hansen introduced:

H. F. No. 1172, A bill for an act relating to arts and cultural heritage; appropriating money for a community theater grant program.

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

Dehn, R.; Morgan and Hansen introduced:

H. F. No. 1173, A bill for an act relating to arts and cultural heritage; appropriating money for community arts education.

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

Falk introduced:

H. F. No. 1174, A bill for an act relating to energy; requiring the Public Utilities Commission to initiate a proceeding culminating in an order establishing standards for utility rates regarding the interconnection of small electric generating facilities; amending Minnesota Statutes 2012, section 216B.1611.

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

Wagenius and Poppe introduced:

H. F. No. 1175, A bill for an act relating to agriculture; establishing the Minnesota agricultural water quality program; authorizing rulemaking; requiring reports; proposing coding for new law in Minnesota Statutes, chapter 17.

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

Hansen introduced:

H. F. No. 1176, A bill for an act relating to water; eliminating the Clean Water Council and reassigning duties; amending Minnesota Statutes 2012, sections 10A.01, subdivision 35; 97A.056, subdivision 3; 114D.20, subdivision 5; repealing Minnesota Statutes 2012, sections 114D.15, subdivision 3; 114D.20, subdivisions 6, 7; 114D.30.

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

Hansen introduced:

H. F. No. 1177, A bill for an act relating to emergency medical services; making changes to the special taxing districts; amending Minnesota Statutes 2012, section 144F.01, subdivision 4.

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

Poppe introduced:

H. F. No. 1178, A bill for an act relating to the military; clarifying that an employee may choose when to use paid military leave; amending Minnesota Statutes 2012, section 192.26.

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

Schomacker introduced:

H. F. No. 1179, A bill for an act relating to health; making changes to resident reimbursement classifications; amending Minnesota Statutes 2012, section 144.0724.

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

Hansen introduced:

H. F. No. 1180, A bill for an act relating to education finance; authorizing a school district to charge fees in order to make digital technology more widely available; amending Minnesota Statutes 2012, sections 123B.35; 123B.36, subdivision 1; 123B.37, subdivision 1.

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

Dorholt introduced:

H. F. No. 1181, A bill for an act relating to human rights; ensuring public accommodations for blind and disabled persons; amending Minnesota Statutes 2012, section 363A.19.

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

Schoen introduced:

H. F. No. 1182, A bill for an act relating to human rights; changing provisions for certain certificates of compliance; amending Minnesota Statutes 2012, sections 363A.36, subdivision 1; 363A.37; repealing Minnesota Rules, part 5000.3560, subparts 2, 3.

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

Kahn introduced:

H. F. No. 1183, A bill for an act relating to appropriations; appropriating money from clean water fund and parks and trails fund.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Murphy, M., introduced:

H. F. No. 1184, A bill for an act relating to state government finance; modifying provisions of the state auditor for costs and fees; requiring determination of IT costs for certain projects; establishing the e-government advisory council; changing the audit responsibility for job opportunity building zones to the legislative auditor; changing campaign finance provisions and establishing fees; changing provisions that refer to school trust lands director; authorizing "Support Our Veterans" license plates; changing provisions related to veterans; making department of revenue changes; establishing an automobile theft prevention surcharge; making conforming changes; appropriating money; amending Minnesota Statutes 2012, sections 6.48; 6.56, subdivision 2; 10A.01, subdivision 26; 10A.02,

subdivision 15; 15A.0815, subdivision 3; 16A.82; 16E.07, subdivision 6, by adding a subdivision; 65B.84, subdivision 1; 94.342, subdivision 5; 127A.30, subdivision 1; 127A.351; 127A.352, subdivisions 1, 2; 197.608, subdivisions 3, 4, 5, 6; 197.791, subdivisions 1, 4, 5; 270C.69, subdivision 1; 289A.20, subdivisions 2, 4; 289A.26, subdivision 2a; 295.55, subdivision 4; 297F.09, subdivision 7; 297G.09, subdivision 6; 297I.30, by adding a subdivision; 297I.35, subdivision 2; 469.3201; 471.699; 473.843, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 6; 10A; 16; 168; 196; 297I; 349A; repealing Minnesota Statutes 2012, sections 6.58; 127A.352, subdivision 3; 127A.353; 168A.40, subdivisions 3, 4; 197.608, subdivision 2a; 270C.145.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Falk, Wagenius, Hansen and Erickson, R., introduced:

H. F. No. 1185, A bill for an act relating to game and fish; establishing an elk license auction to control elk causing damage or nuisance; appropriating money; amending Minnesota Statutes 2012, section 97B.515, subdivision 4.

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

Falk; Sawatzky; Johnson, C.; Erickson, R., and McNamar introduced:

H. F. No. 1186, A bill for an act relating to public safety; providing for special "MN supports family farmers" license plates; proposing coding for new law in Minnesota Statutes, chapter 168.

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

Allen, Paymar, Huntley and Cornish introduced:

H. F. No. 1187, A bill for an act relating to sexually exploited youth; expanding safe harbor provisions to include 16 and 17 year olds involved in prostitution; amending Minnesota Statutes 2012, sections 260B.007, subdivisions 6, 16; 260C.007, subdivisions 6, 31; repealing Minnesota Statutes 2012, section 609.093.

The bill was read for the first time and referred to the Committee on Early Childhood and Youth Development Policy.

Falk introduced:

H. F. No. 1188, A bill for an act relating to clean water; appropriating money for a groundwater management conference.

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

Falk introduced:

H. F. No. 1189, A bill for an act relating to clean water; appropriating money for baseline water quality monitoring.

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

Simonson, McNamar and Schoen introduced:

H. F. No. 1190, A bill for an act relating to insurance; establishing cost-sharing criteria for generic and over-the-counter drugs offered by qualified health plans.

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

Clark introduced:

H. F. No. 1191, A bill for an act relating to environment; appropriating money for mobile air monitoring laboratory.

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

Clark introduced:

H. F. No. 1192, A bill for an act relating to public health; requiring notification of autism service options for medical assistance and MinnesotaCare recipients; requiring medical assistance to cover specified services for the treatment of autism; requiring commissioner of health to research and report on autism; requiring commissioners of health and human services to train autism service providers; amending Minnesota Statutes 2012, section 256B.0625, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Early Childhood and Youth Development Policy.

Clark introduced:

H. F. No. 1193, A bill for an act relating to government trade relations; establishing a trade and cultural exchange relationship between Minnesota and Somalia; appropriating money.

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

Isaacson; Clark; Radinovich; Moran; Sawatzky; Fischer; Bly; Abeler; Metsa; Ward, J.E.; Dehn, R.; Carlson; Schoen; Newton; McNamar; Sundin; Zerwas; Anzelc; Faust; Freiberg; Johnson, S.; Johnson, C., and Dorholt introduced:

H. F. No. 1194, A bill for an act relating to housing finance; appropriating money for the Minnesota Housing Finance Agency.

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

Nelson introduced:

H. F. No. 1195, A bill for an act relating to local government; giving Hennepin County the same authority as Minneapolis to negotiate agreements relating to skilled trade and craft workers and apprentices; amending Laws 1988, chapter 471, sections 1, subdivisions 1, as amended, 4, as amended; 2, as amended.

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

Nelson introduced:

H. F. No. 1196, A bill for an act relating to local government; authorizing publication of advertisements for competitive bids in a recognized industry trade journal; amending Minnesota Statutes 2012, sections 331A.01, by adding a subdivision; 429.041, subdivision 1.

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

Beard, Hansen, Holberg and Falk introduced:

H. F. No. 1197, A bill for an act relating to the legislative auditor; providing for financial and data security audits; requiring certain notice to the legislative auditor; amending Minnesota Statutes 2012, section 3.971, subdivision 6, by adding subdivisions.

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

Dehn, R.; FitzSimmons; Schoen and Zerwas introduced:

H. F. No. 1198, A bill for an act relating to liquor; allowing certain brewers with production over 3,500 barrels to sell growlers at off-sale; amending Minnesota Statutes 2012, section 340A.301, subdivision 7, by adding a subdivision.

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

Mahoney, Huntley and Dorholt introduced:

H. F. No. 1199, A bill for an act relating to taxes; individual income; modifying the small business investment credit; amending Minnesota Statutes 2012, section 116J.8737, subdivisions 1, 2, 8.

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

Fritz, Abeler, Morgan, Anzelc, Metsa and Fischer introduced:

H. F. No. 1200, A bill for an act relating to health; changing provisions for minimum nursing staff requirement; requiring a report; amending Minnesota Statutes 2012, sections 144A.04, subdivision 7; 256B.434, by adding a subdivision.

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

Dorholt and Theis introduced:

H. F. No. 1201, A bill for an act relating to the city of St. Cloud; clarifying the status of a tax increment financing district.

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

Dorholt and Theis introduced:

H. F. No. 1202, A bill for an act relating to human services; repealing county concurrence requirements for foster care placement; repealing Minnesota Rules, part 9560.0560, subpart 3.

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

Dorholt and Theis introduced:

H. F. No. 1203, A bill for an act relating to human services; modifying funding for detoxification services; amending Minnesota Statutes 2012, section 256G.06.

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

Dorholt, Hornstein, FitzSimmons and Theis introduced:

H. F. No. 1204, A bill for an act relating to transportation; contracts; establishing a public-private partnership pilot program and related regulations.

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

Anderson, S., introduced:

H. F. No. 1205, A bill for an act relating to energy; regulating the assessment of need and routing of certain transmission lines.

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

Isaacson introduced:

H. F. No. 1206, A bill for an act relating to health; modifying body art regulations; providing criminal penalties; amending Minnesota Statutes 2012, sections 146B.02, subdivisions 2, 8; 146B.03, by adding a subdivision; 146B.07, subdivision 5; repealing Minnesota Statutes 2012, section 146B.03, subdivision 10.

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

Swedzinski introduced:

H. F. No. 1207, A bill for an act relating to body art; imposing penalties for performing body art or operating a body art establishment without a license; proposing coding for new law in Minnesota Statutes, chapter 146B.

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

Mullery introduced:

H. F. No. 1208, A bill for an act relating to health; changing licensing requirements for businesses regulated by the Board of Pharmacy; clarifying requirements for compounding; making changes to the prescription monitoring program; amending Minnesota Statutes 2012, sections 151.01, subdivisions 14, 16, 17, 27, 28, 29, 30, by adding subdivisions; 151.19, subdivisions 1, 3; 151.211; 151.361, subdivision 2; 151.37, subdivision 2, by adding subdivisions; 151.44; 151.47, subdivision 1, by adding a subdivision; 151.49; 152.126; proposing coding for new law in Minnesota Statutes, chapter 151; repealing Minnesota Statutes 2012, sections 151.19, subdivision 2; 151.25; 151.37, subdivision 11; 151.45; 151.47, subdivision 2; 151.48.

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

Sawatzky introduced:

H. F. No. 1209, A bill for an act relating to natural resources; appropriating money for inspections and decontaminations at the city of Spicer public water access site on Green Lake.

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

Allen introduced:

H. F. No. 1210, A bill for an act relating to health; modifying a social work licensure provision; amending Minnesota Statutes 2012, section 148E.0555, subdivision 2.

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

Dill introduced:

H. F. No. 1211, A bill for an act relating to motor vehicles; establishing Start Seeing Motorcycles special license plates; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 168.

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

Marquart introduced:

H. F. No. 1212, A bill for an act relating to education finance; authorizing an elevator repair levy for Independent School District No. 2527, Norman County West.

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

Sundin; Atkins; Johnson, S.; Beard and Schoen introduced:

H. F. No. 1213, A bill for an act relating to commerce; regulating residential mortgage loan counseling; amending Minnesota Statutes 2012, section 58.13, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 58.

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

Mahoney; Paymar; Lesch; Mariani; Johnson, S., and Mullery introduced:

H. F. No. 1214, A bill for an act relating to commerce; regulating motor vehicles; amending regulation of scrap metal processing; requiring proof of ownership or hold period for vehicles purchased for scrap; creating the automated property system; creating criminal penalties; amending Minnesota Statutes 2012, sections 168.27, subdivisions 1a, 19a, 23, 24; 168A.153, subdivisions 1, 3; 325E.21, subdivisions 1, 1a, 3, 6, 8, 9, by adding subdivisions; repealing Minnesota Statutes 2012, section 168A.153, subdivision 2.

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

Swedzinski introduced:

H. F. No. 1215, A bill for an act relating to capital investment; appropriating money for the Marshall MERIT Center; authorizing the sale and issuance of state bonds.

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

Lillie; Kahn; Atkins; Anderson, S., and Peppin introduced:

H. F. No. 1216, A bill for an act relating to alcohol; making technical corrections to a beer license for the Twin Cities Marathon; amending Laws 1999, chapter 202, section 13.

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

Mullery, Cornish and Hilstrom introduced:

H. F. No. 1217, A bill for an act relating to judiciary; establishing a sentence of life with release when certain juveniles commit a heinous crime; amending Minnesota Statutes 2012, sections 244.05, subdivisions 4, 5; 609.106, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Early Childhood and Youth Development Policy.

Lesch; Franson; Dehn, R.; Cornish; Radinovich; Johnson, S.; Moran and Drazkowski introduced:

H. F. No. 1218, A bill for an act relating to judiciary; modifying registration of a juvenile as a predatory offender; modifying access to juvenile records; modifying provisions governing hearings in juvenile court proceedings; amending Minnesota Statutes 2012, sections 243.166, subdivisions 1b, 2, 6; 260B.163, subdivision 1; 260B.171, subdivisions 1, 4; 260B.198, subdivision 7.

The bill was read for the first time and referred to the Committee on Early Childhood and Youth Development Policy.

Hornstein, Wagenius, Kahn, Hansen, Rosenthal, Morgan, Paymar, Masin, Erhardt, Lenczewski, Davnie and Clark introduced:

H. F. No. 1219, A bill for an act relating to the Metropolitan Airports Commission; requiring certain commission meetings to be held outside of the airport security area; amending Minnesota Statutes 2012, section 473.604, by adding a subdivision.

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

Winkler; Anderson, S.; Kahn; Erickson, S., and Morgan introduced:

H. F. No. 1220, A bill for an act relating to education; modifying the Online Learning Advisory Council; amending Minnesota Statutes 2012, section 124D.095, subdivision 10.

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

Dehn, R.; Isaacson; Rosenthal; FitzSimmons and Davnie introduced:

H. F. No. 1221, A bill for an act relating to commerce; making various technical and housekeeping changes related to staff adjusters, canceled licenses, and transfer fees; providing producer training requirements for flood insurance products; eliminating the membership camping license requirement; repealing an obsolete collection agency rule; correcting cross-references; making adjustments to various dollar amounts as required by state law; providing for a method to periodically update Minnesota Statutes to reflect the current dollar amounts as adjusted; amending Minnesota Statutes 2012, sections 47.59, subdivisions 3, 6; 56.12; 56.125, subdivision 2; 56.131, subdivisions 2, 6; 72B.10; 82.62, subdivision 7; 82.63, subdivision 8; 82A.06, subdivision 2; 82A.13, subdivision 1; 82A.18, subdivision 2; 82C.16, subdivision 1; 325G.22, subdivision 1; 510.02, subdivision 1; 550.37, subdivisions 4, 4a, 6, 10, 12a, 23, 24; proposing coding for new law in Minnesota Statutes, chapter 60K; repealing Minnesota Statutes 2012, sections 82A.16; 82A.17; Minnesota Rules, part 2870.1500.

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

Hansen and Davids introduced:

H. F. No. 1222, A bill for an act relating to game and fish; repealing antler point restriction rule criteria; repealing Laws 2011, First Special Session chapter 2, article 5, section 69.

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

Ward, J.A.; Kieffer and Fischer introduced:

H. F. No. 1223, A bill for an act relating to transportation; mass transit; authorizing the Washington County Regional Rail Authority to exercise existing powers for bus rapid transit purposes.

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

Persell and Huntley introduced:

H. F. No. 1224, A bill for an act relating to ambulance services; providing a grant to the Leech Lake Band of Ojibwe ambulance service; appropriating money.

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

Gunther introduced:

H. F. No. 1225, A bill for an act relating to employment; modifying the minimum wage for certain employees receiving gratuities; amending Minnesota Statutes 2012, section 177.24, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor, Workplace and Regulated Industries.

Cornish and Hilstrom introduced:

H. F. No. 1226, A bill for an act relating to public safety; providing enhanced penalties for causing the death of or assaulting a prosecuting attorney; amending Minnesota Statutes 2012, sections 609.185; 609.221, subdivision 2; 609.2231, subdivision 3.

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

Kiel introduced:

H. F. No. 1227, A bill for an act relating to capital investment; appropriating money for improvements in the Red River State Recreation Area in East Grand Forks; authorizing the sale and issuance of state bonds.

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

Benson, M.; Gunther and Abeler introduced:

H. F. No. 1228, A bill for an act relating to taxation; small business investment credit; providing a higher credit percentage for certain investments; amending Minnesota Statutes 2012, section 116J.8737, subdivisions 1, 2, 5, 7.

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

Davids and Atkins introduced:

H. F. No. 1229, A bill for an act relating to public pensions; imposing an insurance surcharge; modifying pension aids; providing pension funding; amending Minnesota Statutes 2012, section 69.021, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 297I.

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

Winkler, Simon, Dorholt, Halverson, Morgan, Norton, Bernardy and Brynaert introduced:

H. F. No. 1230, A bill for an act relating to redistricting; establishing districting principles for legislative and congressional plans; providing for appointment of a commission to recommend the boundaries of legislative and congressional districts; amending Minnesota Statutes 2012, section 2.021; proposing coding for new law in Minnesota Statutes, chapter 2; repealing Minnesota Statutes 2012, sections 2.031; 2.444; 2.484.

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

Lenczewski introduced:

H. F. No. 1231, A bill for an act relating to transportation; capital investment; appropriating money for Mall of America light rail transit station improvements; authorizing the sale and issuance of state bonds.

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

Lenczewski introduced:

H. F. No. 1232, A bill for an act relating to transportation; capital investment; appropriating money for the I-35W/I-494 Interchange and bus rapid transit station; authorizing the sale and issuance of state bonds.

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

Huntley introduced:

H. F. No. 1233, A bill for an act relating to state government; establishing the health and human services budget; modifying provisions related to health care, continuing care, nursing facility admission, children and family services, human services licensing, chemical and mental health, program integrity, managed care organizations, waiver provider standards, home care, and the Department of Health; redesigning home and community-based services; establishing community first services and supports and Northstar Care for Children; providing for fraud investigations in the child care assistance program; establishing autism early intensive intervention benefits; creating a human services performance council; making technical changes; requiring a study; requiring reports; appropriating money; repealing MinnesotaCare; amending Minnesota Statutes 2012, sections 16C.10, subdivision 5; 16C.155, subdivision 1; 103I.005, by adding a subdivision; 103I.521; 119B.011, by adding a subdivision; 119B.02, by adding a subdivision; 119B.025, subdivision 1; 119B.03, subdivision 4; 119B.05, subdivision 1; 119B.13, subdivisions 1, 1a, 6, by adding subdivisions; 144.051, by adding subdivisions; 144.0724, subdivision 4; 144.123, subdivision 1; 144.125, subdivision 1; 144.98, subdivisions 3, 5, by adding subdivisions; 144.99, subdivision 4; 144A.351; 144A.43; 144A.44; 144A.45; 144D.01, subdivision 4; 145.986; 145C.01, subdivision 7; 148E.065, subdivision 4a; 149A.02, subdivisions 1a, 2, 3, 4, 5, 16, 23, 27, 34, 35, 37, by adding subdivisions; 149A.03; 149A.65, by adding subdivisions; 149A.70, subdivisions 1, 2, 3, 5; 149A.71, subdivisions 2, 4; 149A.72, subdivisions 3, 9, by adding a subdivision; 149A.73, subdivisions 1, 2, 4; 149A.74; 149A.90, subdivision 8; 149A.91, subdivision 9; 149A.92, subdivision 1; 149A.93, subdivisions 3, 6; 149A.94; 149A.96, subdivision 9; 174.30, subdivision 1; 243.166, subdivisions 4b, 7; 245.4682, subdivision 2; 245A.02, subdivisions 1, 9, 10, 14; 245A.03, subdivisions 7, 9; 245A.04, subdivision 13; 245A.042, subdivision 3; 245A.07, subdivisions 2a, 3; 245A.08, subdivision 2a; 245A.10; 245A.11, subdivisions 2a, 7, 7a, 7b, 8; 245A.1435; 245A.144; 245A.1444; 245A.16, subdivision 1; 245A.40, subdivision 5; 245A.50; 245C.04, by adding a subdivision; 245C.08, subdivision 1; 245C.33, subdivision 1; 245D.02; 245D.03; 245D.04; 245D.05; 245D.06; 245D.07; 245D.09; 245D.10; 246.18, subdivision 8, by adding a subdivision; 246.54; 254B.04, subdivision 1; 256.01, subdivisions 2, 24, 34, by adding subdivisions; 256.0112, by

adding a subdivision; 256.82, subdivisions 2, 3; 256.969, subdivision 3a; 256.975, subdivision 7, by adding subdivisions; 256.9754, subdivision 5, by adding subdivisions; 256.98, subdivision 8; 256B.02, by adding subdivisions; 256B.021, by adding subdivisions; 256B.04, subdivisions 18, 21, by adding a subdivision; 256B.055, subdivisions 3a, 6, 10, 15, by adding subdivisions; 256B.056, subdivisions 1, 1a, 1c, 3, 3c, 4, 5c, 10, by adding a subdivision; 256B.057, subdivisions 1, 8, 10, by adding a subdivision; 256B.059, subdivision 1; 256B.06, subdivision 4; 256B.0625, subdivisions 13e, 17a, 19c, 58, by adding subdivisions; 256B.0659, subdivision 21; 256B.0911, subdivisions 1, 1a, 3a, 4d, 6, 7, by adding a subdivision; 256B.0913, subdivision 4, by adding a subdivision; 256B.0915, subdivisions 3a, 5, by adding a subdivision; 256B.0916, by adding a subdivision; 256B.0917, subdivisions 6, 13, by adding subdivisions; 256B.092, subdivisions 11, 12, by adding subdivisions; 256B.434, subdivision 4; 256B.437, subdivision 6; 256B.439, subdivisions 1, 2, 3, 4, by adding a subdivision; 256B.441, subdivisions 13, 53, by adding subdivisions; 256B.49, subdivisions 11a, 12, 14, 15, by adding subdivisions; 256B.4912, subdivisions 1, 7, by adding subdivisions; 256B.493, subdivision 2; 256B.5011, subdivision 2; 256B.69, subdivisions 5c, 31; 256B.76, subdivisions 1, 2; 256B.761; 256B.766; 256L.05, by adding a subdivision; 256J.08, subdivision 24; 256J.21, subdivisions 2, 3; 256J.24, subdivisions 3, 7; 256J.621; 256J.626, subdivision 7; 257.85, subdivisions 2, 5, 6; 260C.446; 402A.10; 402A.18; 471.59, subdivision 1; 626.556, subdivisions 2, 3, 10d; 626.557, subdivisions 4, 9, 9a, 9e; 626.5572, subdivision 13; Laws 1998, chapter 407, article 6, section 116; proposing coding for new law in Minnesota Statutes, chapters 144; 144A; 149A; 245; 245A; 245D; 256; 256B; 256J; 259A; 260C; 402A; proposing coding for new law as Minnesota Statutes, chapters 245E; 256N; repealing Minnesota Statutes 2012, sections 103I.005, subdivision 20; 144.123, subdivision 2; 144A.46; 144A.461; 149A.025; 149A.20, subdivision 8; 149A.30, subdivision 2; 149A.40, subdivision 8; 149A.45, subdivision 6; 149A.50, subdivision 6; 149A.51, subdivision 7; 149A.52, subdivision 5a; 149A.53, subdivision 9; 245A.655; 245B.01; 245B.02; 245B.03; 245B.031; 245B.04; 245B.05, subdivisions 1, 2, 3, 5, 6, 7; 245B.055; 245B.06; 245B.07; 245B.08; 245D.08; 256.82, subdivision 4; 256B.055, subdivisions 3, 5, 10b; 256B.056, subdivision 5b; 256B.057, subdivisions 1c, 2; 256B.0911, subdivisions 4a, 4b, 4c; 256B.0917, subdivisions 1, 2, 3, 4, 5, 7, 8, 9, 10, 11, 12, 14; 256B.092, subdivision 11; 256B.49, subdivisions 16a, 22; 256J.24, subdivision 10; 256L.01, subdivisions 1, 1a, 2, 3, 3a, 4a, 5; 256L.02, subdivisions 1, 2, 3; 256L.03, subdivisions 1, 1a, 1b, 2, 3, 3a, 3b, 4, 5, 6; 256L.031; 256L.04, subdivisions 1, 1a, 1b, 2, 2a, 7, 7a, 7b, 8, 9, 10, 10a, 12, 13; 256L.05; 256L.06, subdivision 3; 256L.07, subdivisions 1, 2, 3, 4, 5, 8, 9; 256L.09, subdivisions 1, 2, 4, 5, 6, 7; 256L.10; 256L.11; 256L.12; 256L.15, subdivisions 1, 1a, 1b, 2; 256L.17, subdivisions 1, 2, 3, 4, 5; 256L.18; 256L.22; 256L.24; 256L.26; 256L.28; 260C.441; 485.14; Minnesota Rules, parts 3400.0130, subpart 8; 4668.0002; 4668.0003; 4668.0005; 4668.0008; 4668.0012; 4668.0016; 4668.0017; 4668.0019; 4668.0030; 4668.0035; 4668.0040; 4668.0050; 4668.0060; 4668.0065; 4668.0070; 4668.0075; 4668.0080; 4668.0100; 4668.0110; 4668.0120; 4668.0130; 4668.0140; 4668.0150; 4668.0160; 4668.0170; 4668.0180; 4668.0190; 4668.0200; 4668.0218; 4668.0220; 4668.0230; 4668.0240; 4668.0800; 4668.0805; 4668.0810; 4668.0815; 4668.0820; 4668.0825; 4668.0830; 4668.0835; 4668.0840; 4668.0845; 4668.0855; 4668.0860; 4668.0865; 4668.0870; 4669.0001; 4669.0010; 4669.0020; 4669.0030; 4669.0040; 4669.0050; 9502.0355, subpart 4; 9560.0650, subparts 1, 3, 6; 9560.0651; 9560.0655.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Benson, M., and Quam introduced:

H. F. No. 1234, A bill for an act relating to transportation; providing for a Rochester area economic development and transportation study; appropriating money.

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

Fritz; Falk; Johnson, C.; McNamar; Hamilton; Poppe and Kiel introduced:

H. F. No. 1235, A bill for an act relating to agriculture; appropriating money for farm business management programs.

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

Mahoney introduced:

H. F. No. 1236, A bill for an act relating to public finance; providing an alternative general system to issue state and local debt obligations; enacting the "Minnesota All-Government Bond Act"; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 16F.

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

Johnson, S., and Holberg introduced:

H. F. No. 1237, A bill for an act relating to judiciary; authorizing a public defender the same access to information about witnesses that public defenders have for information about a defendant; amending Minnesota Statutes 2012, section 611.272.

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

FISCAL CALENDAR

Pursuant to rule 1.22, Carlson requested immediate consideration of H. F. No. 5.

H. F. No. 5 was reported to the House.

Newberger moved to amend H. F. No. 5, the eighth engrossment, as follows:

Page 4, delete lines 24 to page 6, line 9 and insert:

"Subdivision 1. **Board.** The Minnesota Insurance Marketplace is governed by a board of directors with eight members, all chosen, by election, by the citizens of the state of Minnesota.

Each member shall be elected during a special general election of the first Tuesday in November of 2013.

One member shall be elected from each of the eight U.S. Congressional Districts in Minnesota.

Each member shall serve a term of four years, after the 2014 or 2016 election depending upon their initial election status.

For the initial term, four of the elected members shall serve a term of one year.

The remaining four elected members shall serve a term of three years.

The initial terms, either one year or three years, shall be determined by lot within 24 hours after the 2013 special general election.

The determination by lot shall be conducted by the Minnesota Secretary of State and shall be open to the general public.

The members with one year terms may stand for reelection in the 2014 general election.

The remaining four board members, elected in the 2013 general election, shall serve an initial term of three years and may be able to stand for reelection in the 2016 general election.

Term limit rule: board members shall be allowed to serve no more than two full terms.

Initial terms, determined in the 2013 election, shall not count towards the term limit rule.

The governor of Minnesota shall have the right to cast a vote in the event the board reaches a tie in any voting situation.

The lieutenant governor shall have the right to cast a vote in the event the board reaches a tie and if the governor is unable to vote.

Board members shall have the right of resignation at any time during their term. Resignations shall be in writing, signed, notarized, and submitted in person, or by certified mail, to the governor.

The board shall elect a chair from among the members not less than ten days following the general election.

In the event of a tie, the governor shall be granted one vote in the election of the chair.

In the event of a tie, and the governor is unable to vote, the lieutenant governor shall be granted one vote in the election of the chair.

Subd. 2. First meeting; supervision.

Page 6, line 10, delete "(b)" and insert "(a)"

Page 6, line 11, delete "(c)" and insert "(b)"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Daudt moved that H. F. No. 5 be re-referred to the Committee on State Government Finance and Veterans Affairs.

A roll call was requested and properly seconded.

The question was taken on the Daudt motion and the roll was called. There were 59 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Abeler	Barrett	Dean, M.	FitzSimmons	Gunther	Hoppe
Albright	Beard	Dettmer	Franson	Hackbarth	Howe
Anderson, M.	Benson, M.	Drazkowski	Garofalo	Hamilton	Johnson, B.
Anderson, P.	Cornish	Erickson, S.	Green	Hertaus	Kelly
Anderson, S.	Daudt	Fabian	Gruenhagen	Holberg	Kieffer

Kiel	Mack	O'Driscoll	Quam	Swedzinski	Wills
Kresha	McDonald	O'Neill	Runbeck	Theis	Woodard
Leidiger	Myhra	Peppin	Sanders	Torkelson	Zellers
Lohmer	Newberger	Petersburg	Schomacker	Uglem	Zerwas
Loon	Nornes	Pugh	Scott	Urdahl	

Those who voted in the negative were:

Allen	Dorholt	Hortman	Loeffler	Nelson	Selcer
Anzelc	Erickson, R.	Huntley	Mahoney	Newton	Simon
Atkins	Falk	Isaacson	Marquart	Norton	Simonson
Benson, J.	Faust	Johnson, C.	Masin	Paymar	Sundin
Bernardy	Fischer	Johnson, S.	McNamar	Pelowski	Wagenius
Bly	Freiberg	Kahn	Melin	Persell	Ward, J.A.
Brynaert	Fritz	Laine	Metsa	Poppe	Ward, J.E.
Carlson	Halverson	Lenczewski	Moran	Radinovich	Winkler
Clark	Hansen	Lesch	Morgan	Rosenthal	Yarusso
Davnie	Hausman	Liebling	Mullery	Savick	Spk. Thissen
Dehn, R.	Hilstrom	Lien	Murphy, E.	Sawatzky	
Dill	Hornstein	Lillie	Murphy, M.	Schoen	

The motion did not prevail.

The question recurred on the Newberger amendment and the roll was called. There were 57 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean, M.	Gunther	Kresha	O'Neill	Theis
Albright	Dettmer	Hackbarth	Leidiger	Peppin	Torkelson
Anderson, M.	Drazkowski	Hamilton	Lohmer	Petersburg	Uglem
Anderson, P.	Erickson, S.	Hertaus	Loon	Pugh	Urdahl
Anderson, S.	Fabian	Hoppe	Mack	Quam	Wills
Barrett	FitzSimmons	Howe	McDonald	Runbeck	Woodard
Beard	Franson	Johnson, B.	Myhra	Sanders	Zellers
Benson, M.	Garofalo	Kelly	Newberger	Schomacker	
Cornish	Green	Kieffer	Nornes	Scott	
Daudt	Gruenhagen	Kiel	O'Driscoll	Swedzinski	

Those who voted in the negative were:

Allen	Dorholt	Hornstein	Loeffler	Nelson	Selcer
Anzelc	Erickson, R.	Hortman	Mahoney	Newton	Simon
Atkins	Falk	Huntley	Marquart	Norton	Simonson
Benson, J.	Faust	Isaacson	Masin	Paymar	Sundin
Bernardy	Fischer	Johnson, C.	McNamar	Pelowski	Wagenius
Bly	Freiberg	Johnson, S.	Melin	Persell	Ward, J.A.
Brynaert	Fritz	Kahn	Metsa	Poppe	Ward, J.E.
Carlson	Halverson	Laine	Moran	Radinovich	Winkler
Clark	Hansen	Lenczewski	Morgan	Rosenthal	Yarusso
Davnie	Hausman	Liebling	Mullery	Savick	Zerwas
Dehn, R.	Hilstrom	Lien	Murphy, E.	Sawatzky	Spk. Thissen
Dill	Holberg	Lillie	Murphy, M.	Schoen	

The motion did not prevail and the amendment was not adopted.

Dean, M., moved to amend H. F. No. 5, the eighth engrossment, as follows:

Page 19, after line 2, insert:

"Sec. 14. **CONTINGENT ELIMINATION OF STATE EXCHANGE.**

The commissioner of management and budget and the board of the Minnesota Insurance Marketplace shall cease development and administration of the Minnesota Insurance Marketplace under Minnesota Statutes, chapter 62V, if the commissioner and board determine that:

(1) the full amount of projected federal funding will not be available;

(2) sufficient federal guidance for the operation of the marketplace will not be provided. The commissioner and the board shall provide the legislature with notice of this determination, and shall cease development and administration of the marketplace within 60 days of making the determination, subject to federal approval; or

(3) the federal government changes both the establishment date and the eligibility limitation date for federal grants for health insurance exchanges."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Dean, M., amendment and the roll was called. There were 58 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean, M.	Gunther	Kiel	O'Driscoll	Swedzinski
Albright	Dettmer	Hackbarth	Kresha	O'Neill	Theis
Anderson, M.	Drazkowski	Hamilton	Leidiger	Peppin	Torkelson
Anderson, P.	Erickson, S.	Hertaus	Lohmer	Petersburg	Uglen
Anderson, S.	Fabian	Holberg	Loon	Pugh	Wills
Barrett	FitzSimmons	Hoppe	Mack	Quam	Woodard
Beard	Franson	Howe	McDonald	Runbeck	Zellers
Benson, M.	Garofalo	Johnson, B.	Myhra	Sanders	Zerwas
Cornish	Green	Kelly	Newberger	Schomacker	
Daudt	Gruenhagen	Kieffer	Nornes	Scott	

Those who voted in the negative were:

Allen	Davnie	Fritz	Johnson, C.	Loeffler	Mullery
Anzelc	Dehn, R.	Halverson	Johnson, S.	Mahoney	Murphy, E.
Atkins	Dill	Hansen	Kahn	Marquart	Murphy, M.
Benson, J.	Dorholt	Hausman	Laine	Masin	Nelson
Bernardy	Erickson, R.	Hilstrom	Lenczewski	McNamar	Newton
Bly	Falk	Hornstein	Lesch	Melin	Norton
Brynaert	Faust	Hortman	Liebling	Metsa	Paymar
Carlson	Fischer	Huntley	Lien	Moran	Pelowski
Clark	Freiberg	Isaacson	Lillie	Morgan	Persell

Poppe	Savick	Selcer	Sundin	Ward, J.E.	Spk. Thissen
Radinovich	Sawatzky	Simon	Wagenius	Winkler	
Rosenthal	Schoen	Simonson	Ward, J.A.	Yarusso	

The motion did not prevail and the amendment was not adopted.

Drazkowski moved to amend H. F. No. 5, the eighth engrossment, as follows:

Page 14, after line 21, insert:

"Subd. 9. **Disclosure to applicants.** The board shall provide all individuals applying for premium assistance tax credits with notice that increases in income during a year in which premium assistance tax credits are received will result in the individual being liable to repay to the federal government the amount of any premium assistance tax credit overpayment."

A roll call was requested and properly seconded.

The question was taken on the Drazkowski amendment and the roll was called. There were 59 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean, M.	Gunther	Kiel	O'Driscoll	Swedzinski
Albright	Dettmer	Hackbarth	Kresha	O'Neill	Theis
Anderson, M.	Drazkowski	Hamilton	Leidiger	Peppin	Torkelson
Anderson, P.	Erickson, S.	Hertaus	Lohmer	Petersburg	Uglem
Anderson, S.	Fabian	Holberg	Loon	Pugh	Urdahl
Barrett	FitzSimmons	Hoppe	Mack	Quam	Wills
Beard	Franson	Howe	McDonald	Runbeck	Woodard
Benson, M.	Garofalo	Johnson, B.	Myhra	Sanders	Zellers
Cornish	Green	Kelly	Newberger	Schomacker	Zerwas
Daudt	Gruenhagen	Kieffer	Nornes	Scott	

Those who voted in the negative were:

Allen	Dorholt	Hortman	Loeffler	Nelson	Simon
Anzelc	Erickson, R.	Huntley	Mahoney	Newton	Simonson
Atkins	Falk	Isaacson	Marquart	Norton	Sundin
Benson, J.	Faust	Johnson, C.	Masin	Paymar	Wagenius
Bernardy	Fischer	Johnson, S.	McNamar	Pelowski	Ward, J.A.
Bly	Freiberg	Kahn	Melin	Persell	Ward, J.E.
Brynaert	Fritz	Laine	Metsa	Poppe	Winkler
Carlson	Halverson	Lenczewski	Moran	Rosenthal	Yarusso
Clark	Hansen	Lesch	Morgan	Savick	Spk. Thissen
Davnie	Hausman	Liebling	Mullery	Sawatzky	
Dehn, R.	Hilstrom	Lien	Murphy, E.	Schoen	
Dill	Hornstein	Lillie	Murphy, M.	Selcer	

The motion did not prevail and the amendment was not adopted.

Fritz moved to amend H. F. No. 5, the eighth engrossment, as follows:

Page 8, after line 27, insert:

"Subd. 3. **Abortion coverage prohibited.** (a) No abortion coverage may be provided by a qualified health benefit plan offered through the Minnesota Insurance Marketplace created pursuant to the Affordable Care Act, Public Law 111-148.

(b) This limitation shall not apply to an abortion:

(1) performed to prevent the death of the mother;

(2) when the pregnancy is the result of criminal sexual conduct as defined in section 609.342, subdivision 1, clauses (c), (d), (e), item (i), and (f), and the incident is reported within 48 hours after the incident occurs to a valid law enforcement agency for investigation, unless the victim is physically unable to report the criminal sexual conduct, in which case the report shall be made within 48 hours after the victim becomes physically able to report the criminal sexual conduct; or

(3) when the pregnancy is the result of incest, but only if the incident and relative are reported to a valid law enforcement agency for investigation prior to the abortion."

Renumber the subdivisions in sequence

A roll call was requested and properly seconded.

The question was taken on the Fritz amendment and the roll was called. There were 71 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Abeler	Dill	Gunther	Leidiger	O'Driscoll	Scott
Albright	Drazkowski	Hackbarth	Lenczewski	O'Neill	Swedzinski
Anderson, M.	Erickson, R.	Hamilton	Lohmer	Pelowski	Theis
Anderson, P.	Erickson, S.	Hertaus	Loon	Peppin	Torkelson
Anderson, S.	Fabian	Holberg	Mack	Petersburg	Uglen
Barrett	Faust	Hoppe	Marquart	Pugh	Urdahl
Beard	FitzSimmons	Howe	McDonald	Quam	Ward, J.E.
Benson, M.	Franson	Johnson, B.	McNamar	Radinovich	Wills
Cornish	Fritz	Kelly	Murphy, M.	Runbeck	Woodard
Daudt	Garofalo	Kieffer	Myhra	Sanders	Zellers
Dean, M.	Green	Kiel	Newberger	Sawatzky	Zerwas
Dettmer	Gruenhagen	Kresha	Nornes	Schomacker	

Those who voted in the negative were:

Allen	Carlson	Freiberg	Huntley	Liebling	Metsa
Anzelc	Clark	Halverson	Isaacson	Lien	Moran
Atkins	Davnie	Hansen	Johnson, C.	Lillie	Morgan
Benson, J.	Dehn, R.	Hausman	Johnson, S.	Loeffler	Mullery
Bernardy	Dorholt	Hilstrom	Kahn	Mahoney	Murphy, E.
Bly	Falk	Hornstein	Laine	Masin	Nelson
Brynaert	Fischer	Hortman	Lesch	Melin	Newton

Norton	Poppe	Schoen	Simonson	Ward, J.A.	Spk. Thissen
Paymar	Rosenthal	Selcer	Sundin	Winkler	
Persell	Savick	Simon	Wagenius	Yarusso	

The motion prevailed and the amendment was adopted.

Zellers moved to amend H. F. No. 5, the eighth engrossment, as amended, as follows:

Page 11, line 11, after the period, insert "All navigators and in-person assisters must purchase their health insurance through the Minnesota Insurance Marketplace."

A roll call was requested and properly seconded.

The question was taken on the Zellers amendment and the roll was called. There were 58 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean, M.	Gunther	Kiel	O'Neill	Theis
Albright	Dettmer	Hackbarth	Kresha	Peppin	Torkelson
Anderson, M.	Drazkowski	Hamilton	Leidiger	Petersburg	Uglen
Anderson, P.	Erickson, S.	Hertaus	Lohmer	Pugh	Urdahl
Anderson, S.	Fabian	Holberg	Loon	Quam	Wills
Barrett	FitzSimmons	Hoppe	Mack	Runbeck	Woodard
Beard	Franson	Howe	McDonald	Sanders	Zellers
Benson, M.	Garofalo	Johnson, B.	Newberger	Schomacker	Zerwas
Cornish	Green	Kelly	Nornes	Scott	
Daudt	Gruenhagen	Kieffer	O'Driscoll	Swedzinski	

Those who voted in the negative were:

Allen	Dorholt	Hortman	Loeffler	Nelson	Selcer
Anzelc	Erickson, R.	Huntley	Mahoney	Newton	Simon
Atkins	Falk	Isaacson	Marquart	Norton	Simonson
Benson, J.	Faust	Johnson, C.	Masin	Paymar	Sundin
Bernardy	Fischer	Johnson, S.	McNamar	Pelowski	Wagenius
Bly	Freiberg	Kahn	Melin	Persell	Ward, J.A.
Brynaert	Fritz	Laine	Metsa	Poppe	Ward, J.E.
Carlson	Halverson	Lenczewski	Moran	Radinovich	Winkler
Clark	Hansen	Lesch	Morgan	Rosenthal	Yarusso
Davnie	Hausman	Liebling	Mullery	Savick	Spk. Thissen
Dehn, R.	Hilstrom	Lien	Murphy, E.	Sawatzky	
Dill	Hornstein	Lillie	Murphy, M.	Schoen	

The motion did not prevail and the amendment was not adopted.

Zellers moved to amend H. F. No. 5, the eighth engrossment, as amended, as follows:

Page 7, line 11, before the semi-colon, insert "The director and all managerial staff must purchase their insurance through the Minnesota Insurance Marketplace."

A roll call was requested and properly seconded.

The question was taken on the Zellers amendment and the roll was called. There were 59 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean, M.	Gunther	Kiel	O'Driscoll	Swedzinski
Albright	Dettmer	Hackbarth	Kresha	O'Neill	Theis
Anderson, M.	Drazkowski	Hamilton	Leidiger	Peppin	Torkelson
Anderson, P.	Erickson, S.	Hertaus	Lohmer	Petersburg	Uglen
Anderson, S.	Fabian	Holberg	Loon	Pugh	Urdahl
Barrett	FitzSimmons	Hoppe	Mack	Quam	Wills
Beard	Franson	Howe	McDonald	Runbeck	Woodard
Benson, M.	Garofalo	Johnson, B.	Myhra	Sanders	Zellers
Cornish	Green	Kelly	Newberger	Schomacker	Zerwas
Daudt	Gruenhagen	Kieffer	Nornes	Scott	

Those who voted in the negative were:

Allen	Dorholt	Hortman	Loeffler	Nelson	Selcer
Anzelc	Erickson, R.	Huntley	Mahoney	Newton	Simon
Atkins	Falk	Isaacson	Marquart	Norton	Simonson
Benson, J.	Faust	Johnson, C.	Masin	Paymar	Sundin
Bernardy	Fischer	Johnson, S.	McNamar	Pelowski	Wagenius
Bly	Freiberg	Kahn	Melin	Persell	Ward, J.A.
Brynaert	Fritz	Laine	Metsa	Poppe	Ward, J.E.
Carlson	Halverson	Lenczewski	Moran	Radinovich	Winkler
Clark	Hansen	Lesch	Morgan	Rosenthal	Yarusso
Davnie	Hausman	Liebling	Mullery	Savick	Spk. Thissen
Dehn, R.	Hilstrom	Lien	Murphy, E.	Sawatzky	
Dill	Hornstein	Lillie	Murphy, M.	Schoen	

The motion did not prevail and the amendment was not adopted.

Zellers moved to amend H. F. No. 5, the eighth engrossment, as amended, as follows:

Page 6, line 28, after the period, insert "All board members must purchase their health insurance through the Minnesota Insurance Marketplace."

A roll call was requested and properly seconded.

The question was taken on the Zellers amendment and the roll was called. There were 59 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean, M.	Gunther	Kiel	O'Driscoll	Swedzinski
Albright	Dettmer	Hackbarth	Kresha	O'Neill	Theis
Anderson, M.	Drazkowski	Hamilton	Leidiger	Peppin	Torkelson
Anderson, P.	Erickson, S.	Hertaus	Lohmer	Petersburg	Uglem
Anderson, S.	Fabian	Holberg	Loon	Pugh	Urdahl
Barrett	FitzSimmons	Hoppe	Mack	Quam	Wills
Beard	Franson	Howe	McDonald	Runbeck	Woodard
Benson, M.	Garofalo	Johnson, B.	Myhra	Sanders	Zellers
Cornish	Green	Kelly	Newberger	Schomacker	Zerwas
Daudt	Gruenhagen	Kieffer	Nornes	Scott	

Those who voted in the negative were:

Allen	Dorholt	Hortman	Loeffler	Nelson	Selcer
Anzelc	Erickson, R.	Huntley	Mahoney	Newton	Simon
Atkins	Falk	Isaacson	Marquart	Norton	Simonson
Benson, J.	Faust	Johnson, C.	Masin	Paymar	Sundin
Bernardy	Fischer	Johnson, S.	McNamar	Pelowski	Wagenius
Bly	Freiberg	Kahn	Melin	Persell	Ward, J.A.
Brynaert	Fritz	Laine	Metsa	Poppe	Ward, J.E.
Carlson	Halverson	Lenczewski	Moran	Radinovich	Winkler
Clark	Hansen	Lesch	Morgan	Rosenthal	Yarusso
Davnie	Hausman	Liebling	Mullery	Savick	Spk. Thissen
Dehn, R.	Hilstrom	Lien	Murphy, E.	Sawatzky	
Dill	Hornstein	Lillie	Murphy, M.	Schoen	

The motion did not prevail and the amendment was not adopted.

Holberg moved to amend H. F. No. 5, the eighth engrossment, as amended, as follows:

Page 8, after line 8, insert:

"(f) The Minnesota Insurance Marketplace is prohibited from contracting for services related to branding and the development and implementation of logos and new program names."

A roll call was requested and properly seconded.

The question was taken on the Holberg amendment and the roll was called. There were 58 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Abeler	Anderson, S.	Cornish	Drazkowski	Franson	Gunther
Albright	Barrett	Daudt	Erickson, S.	Garofalo	Hackbarth
Anderson, M.	Beard	Dean, M.	Fabian	Green	Hamilton
Anderson, P.	Benson, M.	Dettmer	FitzSimmons	Gruenhagen	Hertaus

Holberg	Kresha	Myhra	Petersburg	Scott	Wills
Hoppe	Leidiger	Newberger	Pugh	Swedzinski	Woodard
Howe	Lohmer	Nornes	Quam	Theis	Zellers
Johnson, B.	Loon	O'Driscoll	Runbeck	Torkelson	Zerwas
Kieffer	Mack	O'Neill	Sanders	Uglem	
Kiel	McDonald	Peppin	Schomacker	Urdahl	

Those who voted in the negative were:

Allen	Dorholt	Hortman	Loeffler	Nelson	Selcer
Anzelc	Erickson, R.	Huntley	Mahoney	Newton	Simon
Atkins	Falk	Isaacson	Marquart	Norton	Simonson
Benson, J.	Faust	Johnson, C.	Masin	Paymar	Sundin
Bernardy	Fischer	Johnson, S.	McNamar	Pelowski	Wagenius
Bly	Freiberg	Kahn	Melin	Persell	Ward, J.A.
Brynaert	Fritz	Laine	Metsa	Poppe	Ward, J.E.
Carlson	Halverson	Lenczewski	Moran	Radinovich	Winkler
Clark	Hansen	Lesch	Morgan	Rosenthal	Yarusso
Davnie	Hausman	Liebling	Mullery	Savick	Spk. Thissen
Dehn, R.	Hilstrom	Lien	Murphy, E.	Sawatzky	
Dill	Hornstein	Lillie	Murphy, M.	Schoen	

The motion did not prevail and the amendment was not adopted.

Holberg moved to amend H. F. No. 5, the eighth engrossment, as amended, as follows:

Page 8, after line 27, insert:

"(d) After January 1, 2015, the Marketplace may not raise the percentage of total premiums that it retains or collects."

A roll call was requested and properly seconded.

The question was taken on the Holberg amendment and the roll was called. There were 59 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean, M.	Gunther	Kiel	O'Driscoll	Swedzinski
Albright	Dettmer	Hackbarth	Kresha	O'Neill	Theis
Anderson, M.	Drazkowski	Hamilton	Leidiger	Peppin	Torkelson
Anderson, P.	Erickson, S.	Hertaus	Lohmer	Petersburg	Uglem
Anderson, S.	Fabian	Holberg	Loon	Pugh	Urdahl
Barrett	FitzSimmons	Hoppe	Mack	Quam	Wills
Beard	Franson	Howe	McDonald	Runbeck	Woodard
Benson, M.	Garofalo	Johnson, B.	Myhra	Sanders	Zellers
Cornish	Green	Kelly	Newberger	Schomacker	Zerwas
Daudt	Gruenhagen	Kieffer	Nornes	Scott	

Those who voted in the negative were:

Allen	Benson, J.	Brynaert	Davnie	Erickson, R.	Fischer
Anzelc	Bernardy	Carlson	Dehn, R.	Falk	Freiberg
Atkins	Bly	Clark	Dorholt	Faust	Fritz

Halverson	Johnson, S.	Mahoney	Murphy, E.	Radinovich	Wagenius
Hansen	Kahn	Marquart	Murphy, M.	Rosenthal	Ward, J.A.
Hausman	Laine	Masin	Nelson	Savick	Ward, J.E.
Hilstrom	Lenczewski	McNamar	Newton	Sawatzky	Winkler
Hornstein	Lesch	Melin	Norton	Schoen	Yarusso
Hortman	Liebling	Metsa	Paymar	Selcer	Spk. Thissen
Huntley	Lien	Moran	Pelowski	Simon	
Isaacson	Lillie	Morgan	Persell	Simonson	
Johnson, C.	Loeffler	Mullery	Poppe	Sundin	

The motion did not prevail and the amendment was not adopted.

Scott moved to amend H. F. No. 5, the eighth engrossment, as amended, as follows:

Page 17, after line 13, insert "The board shall immediately and permanently revoke the authorization of any individual determined to have willfully entered, updated, accessed, shared, or disseminated data in violation of this section, or any provision of chapter 13. If an individual is determined to have willfully gained access to data without explicit authorization from the board, the board shall forward the matter to the county attorney for prosecution."

A roll call was requested and properly seconded.

The question was taken on the Scott amendment and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Hausman	Liebling	Newton	Selcer
Albright	Dill	Hertaus	Lien	Nornes	Simon
Allen	Dorholt	Hilstrom	Lillie	Norton	Simonson
Anderson, M.	Drazkowski	Holberg	Loeffler	O'Driscoll	Sundin
Anderson, P.	Erickson, R.	Hoppe	Lohmer	O'Neill	Swedzinski
Anderson, S.	Erickson, S.	Hornstein	Loon	Paymar	Theis
Anzelc	Fabian	Hortman	Mack	Pelowski	Torkelson
Atkins	Falk	Howe	Mahoney	Peppin	Uglen
Barrett	Faust	Huntley	Marquart	Persell	Urdahl
Beard	Fischer	Isaacson	Masin	Petersburg	Wagenius
Benson, J.	FitzSimmons	Johnson, B.	McDonald	Poppe	Ward, J.A.
Benson, M.	Franson	Johnson, C.	McNamar	Pugh	Ward, J.E.
Bernardy	Freiberg	Johnson, S.	Melin	Quam	Wills
Bly	Fritz	Kahn	Metsa	Radinovich	Winkler
Brynaert	Garofalo	Kelly	Moran	Rosenthal	Woodard
Carlson	Green	Kieffer	Morgan	Runbeck	Yarusso
Clark	Gruenhagen	Kiel	Mullery	Sanders	Zellers
Cornish	Gunther	Kresha	Murphy, E.	Savick	Zerwas
Daudt	Hackbarth	Laine	Murphy, M.	Sawatzky	Spk. Thissen
Davnie	Halverson	Leidiger	Myhra	Schoen	
Dean, M.	Hamilton	Lenczewski	Nelson	Schomacker	
Dehn, R.	Hansen	Lesch	Newberger	Scott	

The motion prevailed and the amendment was adopted.

Woodard moved to amend H. F. No. 5, the eighth engrossment, as amended, as follows:

Page 11, after line 11, insert:

"(e) Any individual or entity acting as a navigator or in-person assister shall be personally liable for all damages resulting from the individual's or entity's acts or omissions in providing assistance to marketplace participants."

The motion prevailed and the amendment was adopted.

Zellers was excused between the hours of 4:35 p.m. and 7:10 p.m.

Garofalo offered an amendment to H. F. No. 5, the eighth engrossment, as amended.

POINT OF ORDER

Atkins raised a point of order pursuant to rule 4.05, relating to Amendment Limits, that the Garofalo amendment was not in order. The Speaker ruled the point of order well taken and the Garofalo amendment out of order.

Garofalo appealed the decision of the Speaker.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called. There were 69 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Allen	Dorholt	Hortman	Loeffler	Newton	Simon
Anzelc	Erickson, R.	Huntley	Mahoney	Norton	Simonson
Atkins	Falk	Isaacson	Marquart	Paymar	Sundin
Benson, J.	Faust	Johnson, C.	Masin	Pelowski	Wagenius
Bernardy	Fischer	Johnson, S.	McNamar	Persell	Ward, J.A.
Bly	Freiberg	Kahn	Melin	Poppe	Ward, J.E.
Brynaert	Fritz	Laine	Metsa	Radinovich	Winkler
Carlson	Halverson	Lenczewski	Moran	Rosenthal	Yarusso
Clark	Hansen	Lesch	Morgan	Savick	Spk. Thissen
Davnie	Hausman	Liebling	Mullery	Sawatzky	
Dehn, R.	Hilstrom	Lien	Murphy, E.	Schoen	
Dill	Hornstein	Lillie	Murphy, M.	Selcer	

Those who voted in the negative were:

Abeler	Barrett	Dean, M.	FitzSimmons	Gunther	Hoppe
Albright	Beard	Dettmer	Franson	Hackbarth	Howe
Anderson, M.	Benson, M.	Drazkowski	Garofalo	Hamilton	Johnson, B.
Anderson, P.	Cornish	Erickson, S.	Green	Hertaus	Kelly
Anderson, S.	Daudt	Fabian	Gruenhagen	Holberg	Kieffer

Kiel	Mack	O'Driscoll	Quam	Swedzinski	Wills
Kresha	McDonald	O'Neill	Runbeck	Theis	Woodard
Leidiger	Myhra	Peppin	Sanders	Torkelson	Zerwas
Lohmer	Newberger	Petersburg	Schomacker	Uglen	
Loon	Nornes	Pugh	Scott	Urdahl	

So it was the judgment of the House that the decision of the Speaker should stand.

Draskowski moved to amend H. F. No. 5, the eighth engrossment, as amended, follows:

Page 16, after line 25, insert:

"(e) The Minnesota Insurance Marketplace may not share or disseminate outside of the marketplace data that indicates whether or not an individual or employee participating in the marketplace has a history of tobacco use."

A roll call was requested and properly seconded.

Swedzinski moves to amend the Draskowski amendment to H. F. No. 5, the eighth engrossment, as amended, as follows:

Page 1, after line 5, after "use" insert "or owns a gun or has a firearm in their home"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 123 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Hertaus	Lien	Newton	Selcer
Albright	Dorholt	Hilstrom	Lillie	Nornes	Simon
Allen	Draskowski	Holberg	Loeffler	Norton	Simonson
Anderson, M.	Erickson, R.	Hoppe	Lohmer	O'Driscoll	Sundin
Anderson, P.	Erickson, S.	Hornstein	Loon	O'Neill	Swedzinski
Anderson, S.	Fabian	Hortman	Mack	Pelowski	Theis
Anzalc	Falk	Howe	Mahoney	Peppin	Torkelson
Atkins	Faust	Huntley	Marquart	Persell	Uglen
Barrett	Fischer	Isaacson	Masin	Petersburg	Urdahl
Beard	FitzSimmons	Johnson, B.	McDonald	Poppe	Wagenius
Benson, J.	Franson	Johnson, C.	McNamar	Pugh	Ward, J.A.
Benson, M.	Freiberg	Johnson, S.	Melin	Quam	Ward, J.E.
Bernardy	Fritz	Kelly	Metsa	Radinovich	Wills
Bly	Garofalo	Kieffer	Moran	Rosenthal	Winkler
Brynaert	Green	Kiel	Morgan	Runbeck	Woodard
Carlson	Gruenhagen	Kresha	Mullery	Sanders	Yarusso
Clark	Gunther	Laine	Murphy, E.	Savick	Zerwas
Cornish	Hackbarth	Leidiger	Murphy, M.	Sawatzky	Spk. Thissen
Daudt	Halverson	Lenczewski	Myhra	Schoen	
Davnie	Hamilton	Lesch	Nelson	Schomacker	
Dean, M.	Hansen	Liebling	Newberger	Scott	

Those who voted in the negative were:

Dehn, R. Kahn

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Drazkowski amendment, as amended, and the roll was called. There were 123 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Hansen	Lien	Newton	Selcer
Albright	Dill	Hertaus	Lillie	Nornes	Simon
Allen	Dorholt	Hilstrom	Loeffler	Norton	Simonson
Anderson, M.	Drazkowski	Holberg	Lohmer	O'Driscoll	Sundin
Anderson, P.	Erickson, R.	Hoppe	Loon	O'Neill	Swedzinski
Anderson, S.	Erickson, S.	Hornstein	Mack	Pelowski	Theis
Anzelc	Fabian	Hortman	Mahoney	Peppin	Torkelson
Atkins	Falk	Howe	Marquart	Persell	Uglen
Barrett	Faust	Huntley	Masin	Petersburg	Urdahl
Beard	Fischer	Isaacson	McDonald	Poppe	Wagenius
Benson, J.	FitzSimmons	Johnson, B.	McNamar	Pugh	Ward, J.A.
Benson, M.	Franson	Johnson, C.	Melin	Quam	Ward, J.E.
Bernardy	Freiberg	Johnson, S.	Metsa	Radinovich	Wills
Bly	Fritz	Kelly	Moran	Rosenthal	Winkler
Brynaert	Garofalo	Kieffer	Morgan	Runbeck	Woodard
Carlson	Green	Kiel	Mullery	Sanders	Yarusso
Clark	Gruenhagen	Kresha	Murphy, E.	Savick	Zerwas
Cornish	Gunther	Laine	Murphy, M.	Sawatzky	Spk. Thissen
Daudt	Hackbarth	Leidiger	Myhra	Schoen	
Davnie	Halverson	Lenczewski	Nelson	Schomacker	
Dean, M.	Hamilton	Lesch	Newberger	Scott	

Those who voted in the negative were:

Dehn, R. Kahn Liebling Paymar

The motion prevailed and the amendment, as amended, was adopted.

Hoppe moved to amend H. F. No. 5, the eighth engrossment, as amended, as follows:

Page 8, after line 8, insert:

"(f) A rule adopted by the board under paragraph (e) is effective for 18 months. The rule expires 18 months after it first becomes effective unless the rule is approved by law."

A roll call was requested and properly seconded.

The question was taken on the Hoppe amendment and the roll was called. There were 58 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean, M.	Gunther	Kiel	O'Driscoll	Swedzinski
Albright	Dettmer	Hackbarth	Kresha	O'Neill	Theis
Anderson, M.	Drazkowski	Hamilton	Leidiger	Peppin	Torkelson
Anderson, P.	Erickson, S.	Hertaus	Lohmer	Petersburg	Uglen
Anderson, S.	Fabian	Holberg	Loon	Pugh	Urdahl
Barrett	FitzSimmons	Hoppe	Mack	Quam	Wills
Beard	Franson	Howe	McDonald	Runbeck	Woodard
Benson, M.	Garofalo	Johnson, B.	Myhra	Sanders	Zerwas
Cornish	Green	Kelly	Newberger	Schomacker	
Daudt	Gruenhagen	Kieffer	Nornes	Scott	

Those who voted in the negative were:

Allen	Dorholt	Hortman	Loeffler	Nelson	Selcer
Anzelc	Erickson, R.	Huntley	Mahoney	Newton	Simon
Atkins	Falk	Isaacson	Marquart	Norton	Simonson
Benson, J.	Faust	Johnson, C.	Masin	Paymar	Sundin
Bernardy	Fischer	Johnson, S.	McNamar	Pelowski	Wagenius
Bly	Freiberg	Kahn	Melin	Persell	Ward, J.A.
Brynaert	Fritz	Laine	Metsa	Poppe	Ward, J.E.
Carlson	Halverson	Lenczewski	Moran	Radinovich	Winkler
Clark	Hansen	Lesch	Morgan	Rosenthal	Yarusso
Davnie	Hausman	Liebling	Mullery	Savick	Spk. Thissen
Dehn, R.	Hilstrom	Lien	Murphy, E.	Sawatzky	
Dill	Hornstein	Lillie	Murphy, M.	Schoen	

The motion did not prevail and the amendment was not adopted.

Schomacker offered an amendment to H. F. No. 5, the eighth engrossment, as amended.

POINT OF ORDER

Atkins raised a point of order pursuant to rule 4.05, relating to Amendment Limits, that the Schomacker amendment was not in order. The Speaker ruled the point of order well taken and the Schomacker amendment out of order.

Schomacker appealed the decision of the Speaker.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called. There were 70 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Allen	Dorholt	Hortman	Loeffler	Nelson	Selcer
Anzelc	Erickson, R.	Huntley	Mahoney	Newton	Simon
Atkins	Falk	Isaacson	Marquart	Norton	Simonson
Benson, J.	Faust	Johnson, C.	Masin	Paymar	Sundin
Bernardy	Fischer	Johnson, S.	McNamar	Pelowski	Wagenius
Bly	Freiberg	Kahn	Melin	Persell	Ward, J.A.
Brynaert	Fritz	Laine	Metsa	Poppe	Ward, J.E.
Carlson	Halverson	Lenczewski	Moran	Radinovich	Winkler
Clark	Hansen	Lesch	Morgan	Rosenthal	Yarusso
Davnie	Hausman	Liebling	Mullery	Savick	Spk. Thissen
Dehn, R.	Hilstrom	Lien	Murphy, E.	Sawatzky	
Dill	Hornstein	Lillie	Murphy, M.	Schoen	

Those who voted in the negative were:

Abeler	Dean, M.	Gunther	Kiel	O'Driscoll	Swedzinski
Albright	Dettmer	Hackbarth	Kresha	O'Neill	Theis
Anderson, M.	Drazkowski	Hamilton	Leidiger	Peppin	Torkelson
Anderson, P.	Erickson, S.	Hertaus	Lohmer	Petersburg	Uglem
Anderson, S.	Fabian	Holberg	Loon	Pugh	Urdahl
Barrett	FitzSimmons	Hoppe	Mack	Quam	Wills
Beard	Franson	Howe	McDonald	Runbeck	Woodard
Benson, M.	Garofalo	Johnson, B.	Myhra	Sanders	Zerwas
Cornish	Green	Kelly	Newberger	Schomacker	
Daudt	Gruenhagen	Kieffer	Nornes	Scott	

So it was the judgment of the House that the decision of the Speaker should stand.

Dean, M., moved to amend H. F. No. 5, the eighth engrossment, as amended, as follows:

Page 17, line 29, after "shall" insert "contract with an independent third party to"

A roll call was requested and properly seconded.

The question was taken on the Dean, M., amendment and the roll was called. There were 59 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean, M.	Gunther	Kiel	Nornes	Scott
Albright	Dettmer	Hackbarth	Kresha	O'Driscoll	Swedzinski
Anderson, M.	Drazkowski	Hamilton	Leidiger	O'Neill	Theis
Anderson, P.	Erickson, S.	Hertaus	Lohmer	Peppin	Torkelson
Anderson, S.	Fabian	Holberg	Loon	Petersburg	Uglem
Barrett	FitzSimmons	Hoppe	Mack	Pugh	Urdahl
Beard	Franson	Howe	McDonald	Quam	Wills
Benson, M.	Garofalo	Johnson, B.	Moran	Runbeck	Woodard
Cornish	Green	Kelly	Myhra	Sanders	Zerwas
Daudt	Gruenhagen	Kieffer	Newberger	Schomacker	

Those who voted in the negative were:

Allen	Dorholt	Hornstein	Lillie	Nelson	Selcer
Anzelc	Erhardt	Hortman	Loeffler	Newton	Simon
Atkins	Erickson, R.	Huntley	Mahoney	Norton	Simonson
Benson, J.	Falk	Isaacson	Marquart	Paymar	Sundin
Bernardy	Faust	Johnson, C.	Masin	Pelowski	Wagenius
Bly	Fischer	Johnson, S.	McNamar	Persell	Ward, J.A.
Brynaert	Freiberg	Kahn	Melin	Poppe	Ward, J.E.
Carlson	Fritz	Laine	Metsa	Radinovich	Winkler
Clark	Halverson	Lenczewski	Morgan	Rosenthal	Yarusso
Davnie	Hansen	Lesch	Mullery	Savick	Spk. Thissen
Dehn, R.	Hausman	Liebling	Murphy, E.	Sawatzky	
Dill	Hilstrom	Lien	Murphy, M.	Schoen	

The motion did not prevail and the amendment was not adopted.

Dean, M., moved to amend H. F. No. 5, the eighth engrossment, as amended, as follows:

Page 4, line 25, delete "seven" and insert "eleven"

Page 5, line 9, delete "and"

Page 5, line 10, delete the period and insert "; and"

Page 5, after line 10, insert:

"(4) the majority and minority leaders of the house of representatives and the majority and minority leaders of the senate."

Page 5, line 12, before the period, insert ", and appointments under paragraph (a), clause (4)"

Page 5, line 26, before the period, insert ", and except for persons appointed under subdivision 2, paragraph (a), clause (4), who shall serve while they hold the specified office"

A roll call was requested and properly seconded.

The question was taken on the Dean, M., amendment and the roll was called. There were 58 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Abeler	Beard	Drazkowski	Green	Holberg	Kiel
Albright	Benson, M.	Erickson, S.	Gruenhagen	Hoppe	Kresha
Anderson, M.	Cornish	Fabian	Gunther	Howe	Leidiger
Anderson, P.	Daudt	FitzSimmons	Hackbarth	Johnson, B.	Lohmer
Anderson, S.	Dean, M.	Franson	Hamilton	Kelly	Loon
Barrett	Dettmer	Garofalo	Hertaus	Kieffer	Mack

McDonald	O'Driscoll	Pugh	Schomacker	Torkelson	Woodard
Myhra	O'Neill	Quam	Scott	Uglen	Zerwas
Newberger	Peppin	Runbeck	Swedzinski	Urdahl	
Nornes	Petersburg	Sanders	Theis	Wills	

Those who voted in the negative were:

Allen	Dorholt	Hornstein	Lillie	Murphy, M.	Schoen
Anzelc	Erhardt	Hortman	Loeffler	Nelson	Selcer
Atkins	Erickson, R.	Huntley	Mahoney	Newton	Simon
Benson, J.	Falk	Isaacson	Marquart	Norton	Simonson
Bernardy	Faust	Johnson, C.	Masin	Paymar	Sundin
Bly	Fischer	Johnson, S.	McNamar	Pelowski	Wagenius
Brynaert	Freiberg	Kahn	Melin	Persell	Ward, J.A.
Carlson	Fritz	Laine	Metsa	Poppe	Ward, J.E.
Clark	Halverson	Lenczewski	Moran	Radinovich	Winkler
Davnie	Hansen	Lesch	Morgan	Rosenthal	Yarusso
Dehn, R.	Hausman	Liebling	Mullery	Savick	Spk. Thissen
Dill	Hilstrom	Lien	Murphy, E.	Sawatzky	

The motion did not prevail and the amendment was not adopted.

Hoppe moved to amend H. F. No. 5, the eighth engrossment, as amended, as follows:

Page 18, after line 14, insert:

"Sec. 12. **[62V.11] RIGHT TO PHYSICIAN OF CHOICE.**

Nothing in this chapter shall prohibit a person using a federal premium tax credit or cost-sharing subsidy to purchase a health benefit plan through the Minnesota Insurance Exchange from receiving care from the physician of their choice."

ReNUMBER the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Gruenhagen moved to amend H. F. No. 5, the eighth engrossment, as amended, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 13.7191, is amended by adding a subdivision to read:

Subd. 14a. **Minnesota Insurance Marketplace.** Classification and sharing of data of the Minnesota Insurance Marketplace is governed by section 62V.06.

Sec. 2. **[62V.01] TITLE.**

This chapter may be cited as the "Minnesota Insurance Marketplace Act."

Sec. 3. **[62V.02] DEFINITIONS.**

Subdivision 1. **Scope.** For the purposes of this chapter, the following terms have the meanings given.

Subd. 2. **Board.** "Board" means the board of directors specified in section 62V.04.

Subd. 3. **Health benefit plan.** "Health benefit plan" means a policy, contract, certificate, or agreement defined in section 62A.011, subdivision 3, and a dental plan defined in section 62Q.76, subdivision 3.

Subd. 4. **Health carrier.** "Health carrier" has the meaning defined in section 62A.011.

Subd. 5. **Individual market.** "Individual market" means the market for health insurance coverage offered to individuals.

Subd. 6. **Insurance producer.** "Insurance producer" has the meaning defined in section 60K.31.

Subd. 7. **Minnesota Insurance Marketplace.** "Minnesota Insurance Marketplace" means the Minnesota Insurance Marketplace created as a state health benefit exchange as described in section 1311 of the federal Patient Protection and Affordable Care Act (Public Law 111-148), and further defined through amendments to the act and regulations issued under the act.

Subd. 8. **Navigator.** "Navigator" has the meaning described in section 1311(i) of the federal Patient Protection and Affordable Care Act (Public Law 111-148), and further defined through amendments to the act and regulations issued under the act.

Subd. 9. **MAGI public health care program.** "MAGI public health care program" means any exchange enrollment public health care program administered by the commissioner of human services whereby eligibility for the program is determined according to a modified adjusted gross income standard.

Subd. 10. **Small group market.** "Small group market" means the market for health insurance coverage offered to small employers as defined in section 62L.02, subdivision 26.

Sec. 4. **[62V.03] MINNESOTA INSURANCE MARKETPLACE; ESTABLISHMENT.**

Subdivision 1. **Creation.** The Minnesota Insurance Marketplace is created as a board under section 15.012, paragraph (a), to:

(1) promote informed consumer choice through innovation, competition, quality, value, market participation, affordability, suitable and meaningful choices, health improvement, care management, and portability of health benefit plans;

(2) facilitate and simplify the comparison, choice, enrollment, and purchase of health benefit plans for individuals purchasing in the individual market through the Minnesota Insurance Marketplace and for employees and employers purchasing in the small group market through the Minnesota Insurance Marketplace;

(3) assist small employers with access to small business health insurance tax credits and to assist individuals with access to MAGI public health care programs, premium assistance tax credits and cost-sharing reductions, and certificates of exemption from individual responsibility requirements;

(4) facilitate the integration and transition of individuals between MAGI public health care programs and health benefit plans in the individual or group market and develop processes that, to the maximum extent possible, provide for continuous coverage;

(5) establish a name for the Web-based exchange based on market studies that show maximum effectiveness in attracting the uninsured and motivating them to take action; and

(6) evaluate the effectiveness of the outreach and implementation activities of the Minnesota Insurance Marketplace in reducing the rate of uninsurance in Minnesota and in addressing the above responsibilities.

Subd. 2. Application of other law. (a) The Minnesota Insurance Marketplace must be reviewed by the legislative auditor under section 3.971. The legislative auditor shall audit the books, accounts, and affairs of the Minnesota Insurance Marketplace once each year or less frequently as the legislative auditor's funds and personnel permit. Pursuant to section 3.97, subdivision 3a, the Legislative Audit Commission is requested to direct the legislative auditor to report by March 1, 2014, to the legislature on any duplication of services that occurs within state government as a result of the creation of the Minnesota Insurance Marketplace. The legislative auditor may make recommendations on consolidating or eliminating any services deemed duplicative. The board shall reimburse the legislative auditor for any costs incurred in the creation of this report.

(b) Board members of the Minnesota Insurance Marketplace are subject to section 10A.07. Board members and the personnel of the Minnesota Insurance Marketplace are subject to section 10A.071.

(c) All meetings of the board shall comply with the open meeting law in chapter 13D, except that:

(1) meetings, or portions of meetings, regarding compensation negotiations with the director or managerial staff may be closed in the same manner and according to the same procedures identified in section 13D.03;

(2) meetings regarding contract negotiation strategy may be closed in the same manner and according to the same procedures identified in section 13D.05, subdivision 3, paragraph (c); and

(3) meetings, or portions of meetings, regarding not public data described in section 62V.06, subdivision 2, and regarding trade secret information as defined in section 13.37, subdivision 1, paragraph (b), are closed to the public, but must otherwise comply with the procedures identified in chapter 13D.

(d) The Minnesota Insurance Marketplace and provisions specified under this chapter are exempt from:

(1) chapter 14, including section 14.386 but not sections 14.48 to 14.69; and

(2) chapters 16B and 16C, with the exception of sections 16C.08, subdivision 2, paragraph (b), clauses (1) to (8); 16C.086; 16C.09, paragraph (a), clauses (1) and (3), paragraph (b), and paragraph (c); and section 16C.16. However, the Minnesota Insurance Marketplace, in consultation with the commissioner of administration, shall implement policies and procedures to establish an open and competitive procurement process for the Minnesota Insurance Marketplace that, to the extent practicable, conforms to the principles and procedures contained in chapters 16B and 16C. In addition, the Minnesota Insurance Marketplace may enter into an agreement with the commissioner of administration for other services.

Subd. 3. Continued operation of a private marketplace. (a) Nothing in this chapter shall be construed to prohibit: (1) a health carrier from offering outside of the Minnesota Insurance Marketplace a health benefit plan to a qualified individual or qualified employer; and (2) a qualified individual from enrolling in, or a qualified employer from selecting for its employees, a health benefit plan offered outside of the Minnesota Insurance Marketplace.

(b) Nothing in this chapter shall be construed to restrict the choice of a qualified individual to enroll or not enroll in a qualified health plan or to participate in the Minnesota Insurance Marketplace. Nothing in this chapter shall be construed to compel an individual to enroll in a qualified health plan or to participate in the Minnesota Insurance Marketplace.

(c) For purposes of this subdivision, "qualified individual" and "qualified employer" have the meanings given in section 1312 of the Affordable Care Act, Public Law 111-148, and further defined through amendments to the act and regulations issued under the act.

Sec. 5. **[62V.04] GOVERNANCE.**

Subdivision 1. **Board.** The Minnesota Insurance Marketplace is governed by a board of directors with seven members.

Subd. 2. **Appointment.** (a) Board membership of the Minnesota Insurance Marketplace consists of the following:

(1) three members appointed by the governor with the advice and consent of both the senate and the house of representatives acting separately in accordance with paragraph (d), with one member representing the interests of individual consumers eligible for individual market coverage, one member representing individual consumers eligible for MAGI public health care program coverage, and one member representing small employers. Members are appointed to serve four-year staggered terms following the initial staggered-term lot determination;

(2) three members appointed by the governor with the advice and consent of both the senate and the house of representatives acting separately in accordance with paragraph (d) who have demonstrated expertise, leadership, and innovation in the following areas: one member representing the areas of health administration, health care finance, health plan purchasing, and health care delivery systems; one member representing the areas of public health, health disparities, MAGI public health care programs, and the uninsured; and one member representing health policy issues related to the small group and individual markets. Members are appointed to serve four-year staggered terms following the initial staggered-term lot determination; and

(3) the commissioner of human services or a designee.

(b) Section 15.0597 shall apply to all appointments, except for the commissioner and initial appointments.

(c) The governor shall make appointments to the board that are consistent with federal law and regulations regarding its composition and structure.

(d) Upon appointment by the governor, a board member shall exercise duties of office immediately. If both the house of representatives and the senate vote not to confirm an appointment, the appointment terminates on the day following the vote not to confirm in the second body to vote.

(e) Initial appointments shall be made by April 30, 2013.

(f) One of the members appointed under paragraph (a), clauses (1) and (2), must have experience in representing the needs of vulnerable populations and persons with disabilities.

(g) Membership on the board must include representation from outside the seven-county metropolitan area, as defined in section 473.121, subdivision 2.

Subd. 3. **Terms.** (a) Board members may serve no more than two consecutive terms, except for the commissioner or the commissioner's designee, who shall serve until replaced by the governor.

(b) A board member may resign at any time by giving written notice to the board.

(c) The appointed members under subdivision 2, paragraph (a), clauses (1) and (2), shall have an initial term of two, three, or four years, determined by lot by the secretary of state.

Subd. 4. **Conflicts of interest.** (a) Within one year prior to or at any time during their appointed term, board members appointed under subdivision 2, paragraph (a), clauses (1) and (2), shall not be employed by, be a member of the board of directors of, or otherwise be a representative of a health carrier, institutional health care provider or other entity providing health care, navigator, insurance producer, or other entity in the business of selling items or services of significant value to or through the Minnesota Insurance Marketplace. No member of the board may currently serve as a lobbyist, as defined under section 10A.01, subdivision 21.

(b) Directors must recuse themselves from discussion of and voting on an official matter if the director has a conflict of interest. A conflict of interest means an association including a financial or personal association that has the potential to bias or have the appearance of biasing a director's decisions in matters related to the exchange or the conduct of activities under this act.

Subd. 5. **Acting chair; first meeting; supervision.** (a) The governor shall designate as acting chair one of the appointees described in subdivision 2.

(b) The board shall hold its first meeting within 60 days of enactment.

(c) The board shall elect a chair to replace the acting chair at the first meeting.

Subd. 6. **Chair.** The board shall have a chair, elected by a majority of members. The chair shall serve for one year.

Subd. 7. **Officers.** The members of the board shall elect officers by a majority of members. The officers shall serve for one year.

Subd. 8. **Vacancies.** If a vacancy occurs for a board seat that was appointed by the governor, the governor shall appoint a new member within 90 days, and the newly appointed member shall be subject to the same confirmation process described in subdivision 2.

Subd. 9. **Removal.** A board member may be removed by the board only for cause, following notice, hearing, and a two-thirds vote of the board. A conflict of interest as defined in subdivision 4 shall be cause for removal from the board.

Subd. 10. **Meetings.** The board shall meet at least quarterly.

Subd. 11. **Quorum.** A majority of the members of the board constitutes a quorum, and the affirmative vote of a majority of members of the board is necessary and sufficient for action taken by the board.

Subd. 12. **Compensation.** Board members may be compensated according to section 15.0575.

Subd. 13. **Advisory committees.** (a) The board may establish, as necessary, advisory committees to gather information related to the operation of the Minnesota Insurance Marketplace.

(b) Section 15.0597 shall not apply to any advisory committee established by the board.

Sec. 6. **[62V.05] RESPONSIBILITIES AND POWERS OF THE MINNESOTA INSURANCE MARKETPLACE.**

Subdivision 1. General. (a) The board shall operate the Minnesota Insurance Marketplace according to this chapter and applicable state and federal law.

(b) The board has the power to:

(1) employ personnel and delegate administrative, operational, and other responsibilities to the director and other personnel as deemed appropriate by the board. This authority is subject to chapters 43A and 179A. The director and managerial staff of the Minnesota Insurance Marketplace shall serve in the unclassified service and shall be governed by a compensation plan prepared by the board, submitted to the commissioner of management and budget for review and comment within 14 days of its receipt, and approved by the Legislative Coordinating Commission and the legislature under section 3.855, except that section 15A.0815, subdivision 5, paragraph (e), shall not apply;

(2) establish the budget of the Minnesota Insurance Marketplace;

(3) seek and accept money, grants, loans, donations, materials, services, or advertising revenue from government agencies, philanthropic organizations, and public and private sources to fund the operation of the Minnesota Insurance Marketplace. No revenue raising effort shall advantage any specific health benefit plan, health carrier, or insurer producer active in the business of the Minnesota Insurance Marketplace;

(4) contract for the receipt and provision of goods and services; and

(5) enter into information-sharing agreements with federal and state agencies and other entities, provided the agreements include adequate protections with respect to the confidentiality and integrity of the information to be shared, and comply with all applicable state and federal laws, regulations, and rules, including the requirements of section 62V.06.

(c) The board shall establish policies and procedures to gather public comment and provide public notice in the State Register.

(d) Within 180 days of enactment, the board shall establish bylaws, policies, and procedures governing the operations of the Minnesota Insurance Marketplace in accordance with this chapter.

(e) If the board's policies, procedures, or other statements are rules, as defined in section 14.02, subdivision 4, the following requirements apply:

(1) the board shall publish proposed rules in the State Register;

(2) interested parties have 30 days to comment on the proposed rules. The board must consider comments it receives. After the board has considered all comments, the board shall publish the final rule in the State Register;

(3) if the adopted rules are the same as the proposed rules, the notice shall state that the rules have been adopted as proposed and shall cite the prior publication. If the adopted rules differ from the proposed rules, the portions of the adopted rules that differ from the proposed rules shall be included in the notice of adoption, together with a citation to the prior State Register that contained the notice of the proposed rules; and

(4) rules published in the State Register before January 1, 2014, take effect upon publication. Rules published in the State Register on and after January 1, 2014, take effect 30 days after publication.

Subd. 2. **Operations funding.** (a) Prior to January 1, 2015, the Minnesota Insurance Marketplace shall retain or collect up to 3.5 percent of total premiums for individual market and small group market health benefit plans sold through the Minnesota Insurance Marketplace to fund cash reserves of the Minnesota Insurance Marketplace, but the amount collected shall not exceed a dollar amount equal to 25 percent of the funds collected under section 62E.11, subdivision 6, for calendar year 2012.

(b) Beginning January 1, 2015, the Minnesota Insurance Marketplace shall retain or collect up to 3.5 percent of premiums for individual market and small group market health benefit plans sold through the Minnesota Insurance Marketplace to fund operations of the Minnesota Insurance Marketplace, but the amount collected shall not exceed a dollar amount equal to 50 percent of the funds collected under section 62E.11, subdivision 6, for calendar year 2012.

(c) Beginning January 1, 2016, the Minnesota Insurance Marketplace shall retain or collect up to 3.5 percent of premiums for individual market and small group market health benefit plans sold through the Minnesota Insurance Marketplace to fund operations of the Minnesota Insurance Marketplace, but the annual growth in the amount collected or retained shall not exceed the annual rate of inflation after accounting for year-to-year enrollment changes and may never exceed 100 percent of the funds collected under section 62E.11, subdivision 6, for calendar year 2012.

Subd. 3. **Insurance producers.** (a) The board, in consultation with the commissioner of commerce, shall establish minimum standards for certifying insurance producers who may sell health benefit plans through the Minnesota Insurance Marketplace. Producers must complete four hours of training in order to receive certification. The training must include online enrollment tools, compliance with privacy and security standards, an assessment of the affordability of various cost-sharing responsibilities, how to evaluate known health needs for that individual and the likely health needs for the relevant age group, the eligibility requirements for premium assistance and MAGI public health care programs, the availability of navigator assistance and enrollment support, tax provisions that may apply to group health benefit plan purchases, and Minnesota specific programs and marketplace laws. Certification and training shall be administered by the commissioner of commerce, and the training required under this section shall qualify as continuing education required under chapter 60K. In order to remain certified under this subdivision, insurance producers must comply with all applicable certification requirements, including the requirements established under paragraphs (d) and (e). A person shall not sell, solicit, or negotiate insurance for any class or classes of insurance unless the person is licensed for that line of authority under sections 60K.30 to 60K.56.

(b) Producer compensation shall be established by health carriers that provide health benefit plans through the Minnesota Insurance Marketplace. Compensation to producers must be equivalent for health benefit plans sold through the marketplace or outside the marketplace.

(c) Each health carrier that offers or sells health benefit plans through the Minnesota Insurance Marketplace shall report in writing to the marketplace on a quarterly basis the compensation and other incentives it offers or provides to its insurance producers with regard to each type of health benefit plan the health carrier offers or sells both inside and outside the marketplace.

(d) Nothing in this act shall prohibit an insurance producer from offering professional advice and recommendations to a small group purchaser based upon information provided to the producer.

(e) An insurance producer that offers health benefit plans in the individual market must not sell or renew an individual health benefit plan to a person whose income indicates the person may be eligible for either premium assistance or a MAGI public health program, without first informing the person of the person's potential eligibility for premium assistance or a MAGI public health program and either offering assistance in determining the person's eligibility, or referring the person for assistance in determining eligibility. Nothing in this paragraph prohibits an individual from refusing to apply for any public program or tax credit.

(f) An insurance producer that offers health benefit plans in the small group market shall notify each small group purchaser of which group health benefit plans qualify for Internal Revenue Service approved section 125 tax benefits. The insurance producer shall also notify small group purchasers of state law provisions that benefit small group plans when the employer agrees to pay 50 percent or more of its employees' premium. Persons who are eligible for cost-effective medical assistance will count toward the 75 percent participation requirement in section 62L.03, subdivision 3.

(g) Any insurance producer assisting an individual or small employer with purchasing coverage through the Minnesota Insurance Marketplace must disclose, orally and in writing, to the individual or small employer at the time of the first solicitation with the prospective purchaser the following:

(1) the health carriers and qualified health plans offered through the Minnesota Insurance Marketplace that the producer is authorized to sell, and that the producer may not be authorized to sell all the qualified health plans offered through the Minnesota Insurance Marketplace;

(2) the producer may be receiving compensation from a health carrier for enrolling the individual or small employer into a particular health plan; and

(3) information on all qualified health plans offered through the Minnesota Insurance Marketplace is available through the Minnesota Insurance Marketplace Web site.

For purposes of this paragraph, "solicitation" means any contact by a producer, or any person acting on behalf of a producer made for the purpose of selling or attempting to sell coverage through the Minnesota Insurance Marketplace. If the first solicitation is made by telephone, the disclosures required under this paragraph need not be made in writing, but the fact that disclosure has been made must be memorialized when the policy is delivered.

Subd. 4. Navigator; in-person assisters; call center. (a) The board shall establish policies and procedures for the ongoing operation of a navigator program, in-person assister program, call center, and customer service provisions for the Minnesota Insurance Marketplace to be implemented beginning January 1, 2015. The policies and procedures must require that a person complete at least eight hours of training specific to helping people obtain insurance through the exchange before working as an in-person assister or before working as or on behalf of a navigator directly with people seeking insurance through the exchange.

(b) Until the implementation of the policies and procedures described in paragraph (a), the following shall be in effect:

(1) the navigator program shall be fulfilled through section 256.962;

(2) entities eligible to be navigators, including insurance producers, Indian tribes and organizations, and counties may serve as in-person assisters;

(3) the board shall establish requirements and compensation for the in-person assister program by April 30, 2013. Compensation for in-person assisters must take into account any other compensation received by the in-person assister for conducting the same or similar services; and

(4) call center operations shall utilize existing state resources and personnel, including referrals to counties for medical assistance.

(c) The board shall establish a toll-free number for the Minnesota Insurance Marketplace and may hire and contract for additional resources as deemed necessary.

(d) In establishing training standards for the navigator program, the board must ensure that all entities and individuals carrying out navigator functions have training in the needs of underserved and vulnerable populations; eligibility and enrollment rules and procedures; the range of available public health care programs and qualified health plan options available through the Minnesota Insurance Marketplace; and privacy and security standards. For calendar year 2014, the commissioner of human services shall ensure that the program under section 256.962 provides application assistance for both qualified health plans offered through the Minnesota Insurance Marketplace and public health care programs.

Subd. 5. Health carrier requirements; participation. (a) Beginning January 1, 2015, the board shall have the power to establish certification requirements for health carriers and health benefit plans offered through the Minnesota Insurance Marketplace unless by June 1, 2013, the legislature enacts regulatory requirements that:

- (1) apply uniformly to all health carriers and health benefit plans in the individual market;
- (2) apply uniformly to all health carriers and health benefit plans in the small group market; and
- (3) satisfy federal certification requirements for the Minnesota Insurance Marketplace.

(b) For certification requirements established by the board under paragraph (a), the board shall establish network adequacy requirements that are not inconsistent with the most popular health benefit plans offered through the Minnesota Insurance Marketplace under paragraph (c) in 2014 or 2015.

(c) No health carrier shall be required to participate in the Minnesota Insurance Marketplace. Beginning January 1, 2015, for those health carriers that opt to participate in the Minnesota Insurance Marketplace, the board shall approve two health benefit plans, of which one must be the most popular health benefit plan that a health carrier offers at each of the catastrophic, bronze, silver, and gold actuarial value levels for each service area in which the health carrier offers coverage in the individual and small group markets. The most popular health benefit plan is determined by the highest enrollment inside and outside the Minnesota Insurance Marketplace by number of lives at the end of the open enrollment period in the preceding year, excluding health benefit plans closed to new enrollment as of the preceding year. In determining the most popular health benefit plans, health benefit plans offered in the individual market prior to January 1, 2014, are not included. If a health carrier participating in the Minnesota Insurance Marketplace offers less than two health benefit plans in an actuarial value level or service area in the individual or small group market, the health carrier shall offer all health benefit plans it offers in that actuarial value level or service area in the individual or small group market in the Minnesota Insurance Marketplace.

(d) If a health carrier or parent organization participating in the Minnesota Insurance Marketplace offers health benefit plans outside the Minnesota Insurance Marketplace in the individual or small group market, the health carrier must offer health benefit plans at the silver and gold actuarial levels outside the Minnesota Insurance Marketplace for each service area in which the health carrier offers coverage in the individual and small group markets.

(e) Beginning January 1, 2015, the board has the power to select health benefit plans in addition to those specified in paragraph (c) to participate in the Minnesota Insurance Marketplace. In the selection process, the board shall seek to provide health coverage choices that offer the optimal combination of choice, value, quality, and service. Selection of additional health benefit plans must be determined in the best interests of individual consumers and employers and within federal requirements. The board shall consistently and uniformly apply requirements, standards, and criteria to all health carriers and health benefit plans. In determining the best interests, the board shall consider:

- (1) affordability and value;
- (2) promotions of high-quality care;

(3) promotion of prevention and wellness;

(4) ensuring access to care;

(5) alignment and coordination with state agency and private sector purchasing strategies and payment reform efforts; and

(6) other criteria that the board determines appropriate.

(f) For health benefit plans offered through the Minnesota Insurance Marketplace beginning January 1, 2015, health carriers must use the most current addendum for Indian health care providers approved by the Centers for Medicare and Medicaid Services and the tribes as part of their contracts with Indian health care providers.

(g) For 2014, the board shall not have the power to select health carriers and health benefit plans for participation in the Minnesota Insurance Marketplace. The board shall have the power to verify that health carriers and health benefit plans were properly certified under certification guidance in place on January 1, 2013, to be eligible for participation in the Minnesota Insurance Marketplace. Notwithstanding the foregoing, any catastrophic health plan, as defined in section 1302(e) of the federal Patient Protection and Affordable Care Act (Public Law 111-148), shall be eligible for participation in the Minnesota Insurance Marketplace in 2014.

(h) The board has the authority to decertify health carriers and health benefit plans that fail to maintain compliance with section 1311(c) of the federal Patient Protection and Affordable Care Act (Public Law 111-148).

Subd. 6. Appeals. (a) The board may conduct hearings, appoint hearing officers, and recommend final orders related to appeals of any Minnesota Insurance Marketplace determinations, except for those determinations identified in paragraph (d). An appeal by a health carrier regarding a specific certification or selection determination made by the Minnesota Insurance Marketplace under subdivision 5, paragraph (a) or (b), must be conducted as a contested case proceeding under chapter 14, with the report or order of the administrative law judge constituting the final decision in the case, subject to judicial review under sections 14.63 to 14.69. For other appeals, the board shall establish hearing processes which provide for a reasonable opportunity to be heard and timely resolution of the appeal and which are consistent with the requirements of federal law and guidance. An appealing party may be represented by legal counsel at these hearings, but this is not a requirement.

(b) The Minnesota Insurance Marketplace may establish service-level agreements with state agencies to conduct hearings for appeals. Notwithstanding section 471.59, subdivision 1, a state agency is authorized to enter into service-level agreements for this purpose with the Minnesota Insurance Marketplace.

(c) For proceedings under this subdivision, the Minnesota Insurance Marketplace may be represented by an attorney who is an employee of the Minnesota Insurance Marketplace.

(d) This subdivision does not apply to appeals of determinations where a state agency hearing is available under section 256.045.

Subd. 7. Agreements; consultation. (a) The board shall:

(1) establish and maintain an agreement with the chief information officer of the Office of Enterprise Technology for information technology services that ensures coordination with MAGI public health care programs. The board may establish and maintain agreements with the chief information officer of the Office of Enterprise Technology for other information technology services, including an agreement that would permit the Minnesota Insurance Marketplace to administer eligibility for additional health care and public assistance programs under the authority of the commissioner of human services;

(2) establish and maintain an agreement with the commissioner of human services for cost allocation and services regarding eligibility determinations and enrollment for MAGI public health care programs. The board may establish and maintain an agreement with the commissioner of human services for other services;

(3) establish and maintain an agreement with the commissioners of commerce and health for services regarding enforcement of Minnesota Insurance Marketplace certification requirements for health benefit plans offered through the Minnesota Insurance Marketplace. The board may establish and maintain agreements with the commissioners of commerce and health for other services; and

(4) establish interagency agreements to transfer funds to other state agencies for their costs related to implementing and operating the Minnesota Insurance Marketplace, excluding medical assistance allocatable costs.

(b) The board shall consult with the commissioners of commerce and health regarding the operations of the Minnesota Insurance Marketplace.

(c) The board shall consult with Indian tribes and organizations regarding the operation of the Minnesota Insurance Marketplace.

(d) The board shall establish an advisory committee consisting of representatives from the health care industry, consumers, and other stakeholders to provide information and advise the board on the operations of the Minnesota Insurance Marketplace.

Subd. 8. **Limitations; risk-bearing.** (a) The board shall not bear insurance risk or enter into any agreement with health care providers to pay claims.

(b) Nothing in this subdivision shall prevent the Minnesota Insurance Marketplace from providing insurance for its employees.

Sec. 7. **[62V.06] DATA PRACTICES.**

Subdivision 1. **Applicability.** The Minnesota Insurance Marketplace is a state agency for purposes of the Minnesota Government Data Practices Act and is subject to all provisions of chapter 13, in addition to the requirements contained in this section.

Subd. 2. **Definitions.** As used in this section:

(1) "individual" means an individual according to section 13.02, subdivision 8, but does not include a vendor of services; and

(2) "participating" means that an individual, employee, or employer is seeking, or has sought an eligibility determination, enrollment processing, or premium processing through the Minnesota Insurance Marketplace.

Subd. 3. **General data classifications.** The following data collected, created, or maintained by the Minnesota Insurance Marketplace (Marketplace) are classified as private data on individuals, as defined in section 13.02, subdivision 12, or nonpublic data, as defined in section 13.02, subdivision 9:

(1) data on any individual participating in the Marketplace;

(2) data on any individuals participating in the Marketplace as employees of an employer participating in the Marketplace; and

(3) data on employers participating in the Marketplace.

Subd. 4. **Application and certification data.** (a) Data submitted by an insurance producer in an application for certification to sell a health benefit plan through the Marketplace, or submitted by an applicant seeking permission or a commission to act as a navigator or in-person assister, are classified as follows:

(1) at the time the application is submitted, all data contained in the application are private data, as defined in section 13.02, subdivision 12, or nonpublic data as defined in section 13.02, subdivision 9, except that the name of the applicant is public; and

(2) upon a final determination related to the application for certification by the Marketplace, all data contained in the application are public, with the exception of trade secret data as defined in section 13.37.

(b) Data created or maintained by a government entity as part of the evaluation of an application are protected nonpublic data, as defined in section 13.02, subdivision 13, until a final determination as to certification is made and all rights of appeal have been exhausted. Upon a final determination and exhaustion of all rights of appeal, these data are public, with the exception of trade secret data as defined in section 13.37 and data subject to attorney-client privilege or other protection as provided in section 13.393.

(c) If an application is denied, the public data must include the criteria used by the board to evaluate the application and the specific reasons for the denial, and these data must be published on the Marketplace Web site.

Subd. 5. **Data sharing.** (a) The Minnesota Insurance Marketplace may share or disseminate data classified as private or nonpublic in subdivision 4 as follows:

(1) to the subject of the data, as provided in section 13.04;

(2) according to a court order;

(3) according to a state or federal law specifically authorizing access to the data;

(4) with other state or federal agencies, only to the extent necessary to verify the identity of, determine the eligibility of, process premiums for, process enrollment of, or investigate fraud related to an individual, employer, or employee participating in the Marketplace, provided that the Marketplace must enter into a data-sharing agreement with the agency prior to sharing data under this clause; and

(5) with a nongovernmental person or entity, only to the extent necessary to verify the identity of, determine the eligibility of, process premiums for, process enrollment of, or investigate fraud related to an individual, employer, or employee participating in the Marketplace, provided that the Marketplace must enter a contract with the person or entity, as provided in section 13.05, subdivision 6 or 11, prior to disseminating data under this clause.

(b) The Minnesota Insurance Marketplace may share or disseminate data classified as private or nonpublic in subdivision 4 as follows:

(1) to the subject of the data, as provided in section 13.04;

(2) according to a court order;

(3) according to a state or federal law specifically authorizing access to the data;

(4) with other state or federal agencies, only to the extent necessary to carry out the functions of the Marketplace, provided that the Marketplace must enter into a data-sharing agreement with the agency prior to sharing data under this clause; and

(5) with a nongovernmental person or entity, only to the extent necessary to carry out the functions of the Marketplace, provided that the Marketplace must enter a contract with the person or entity, as provided in section 13.05, subdivision 6 or 11, prior to disseminating data under this clause.

(c) Sharing or disseminating data outside of the exchange in a manner not authorized by this subdivision is prohibited. The list of authorized dissemination and sharing contained in this subdivision must be included in the Tennessean warning required by section 13.04, subdivision 2.

(d) Until July 1, 2014, state agencies must share data classified as private or nonpublic on individuals, employees, or employers participating in the Marketplace with the Marketplace, only to the extent such data are necessary to verify the identity of, determine the eligibility of, process premiums for, process enrollment of, or investigate fraud related to a Marketplace participant. The agency must enter into a data-sharing agreement with the Marketplace prior to sharing any data under this paragraph.

Subd. 6. Notice and disclosures. (a) In addition to the Tennessean warning required by section 13.04, subdivision 2, the Marketplace must provide any data subject asked to supply private data with:

(1) a notice of rights related to the handling of genetic information, pursuant to section 13.386; and

(2) a notice of the records retention policy of the Marketplace, detailing the length of time the Marketplace will retain data on the individual and the manner in which it will be destroyed upon expiration of that time.

(b) All notices required by this subdivision, including the Tennessean warning, must be provided in an electronic format suitable for downloading or printing.

Subd. 7. Summary data. In addition to creation and disclosure of summary data derived from private data on individuals, as permitted by section 13.05, subdivision 7, the Marketplace may create and disclose summary data derived from data classified as nonpublic under this section.

Subd. 8. Access to data; audit trail. (a) Only individuals with explicit authorization from the board may enter, update, or access not public data collected, created, or maintained by the Marketplace. The ability of authorized individuals to enter, update, or access data must be limited through the use of role-based access that corresponds to the official duties or training level of the individual, and the statutory authorization that grants access for that purpose. All queries and responses, and all actions in which data are entered, updated, accessed, or shared or disseminated outside of the marketplace, must be recorded in a data audit trail. Data contained in the audit trail are public, to the extent that the data are not otherwise classified by this section.

(b) This subdivision shall not limit or affect the authority of the legislative auditor to access data needed to conduct audits, evaluations, or investigations of the Marketplace or the obligation of the board and Marketplace employees to comply with section 3.978, subdivision 2.

(c) This subdivision does not apply to actions taken by a Minnesota Insurance Marketplace participant to enter, update, or access data held by the Minnesota Insurance Marketplace, if the participant is the subject of the data that is entered, updated, or accessed.

Subd. 9. Sale of data prohibited. The Marketplace may not sell any data collected, created, or maintained by the Marketplace, regardless of its classification, for commercial or any other purposes.

Sec. 8. **[62V.07] FUNDS.**

All funds received by the Minnesota Insurance Marketplace must be deposited in a dedicated account in the special revenue fund which may earn interest and are appropriated to the Minnesota Insurance Marketplace for the purpose for which the funds were received.

Sec. 9. **[62V.08] REPORT.**

(a) The Minnesota Insurance Marketplace shall submit a report to the legislature by January 15, 2015, and each January 15 thereafter, on: (1) the performance of Minnesota Insurance Marketplace operations; (2) meeting the Minnesota Insurance Marketplace responsibilities; and (3) an accounting of the Minnesota Insurance Marketplace budget activities.

(b) The exchange must publish the administrative and operational costs of the exchange on a Web site to educate consumers on those costs. The information published must include the amount of premiums and federal premium subsidies collected by the exchange; the amount and source of revenue received under section 62V.05, subdivision 1, paragraph (b), clause (3); the amount and source of any other fees collected by the exchange for purposes of supporting its operations; and any misuse of funds as identified in accordance with section 3.975. The Web site must be updated at least annually.

Sec. 10. **[62V.09] EXPIRATION AND SUNSET EXCLUSION.**

Notwithstanding Minnesota Statutes, section 15.059, the Minnesota Insurance Marketplace Act shall not expire. The board is not subject to review or sunseting under Minnesota Statutes, chapter 3D.

Sec. 11. **[62V.10] RIGHT NOT TO PARTICIPATE.**

Nothing in this chapter infringes on the right of a Minnesota citizen not to participate in the Minnesota Insurance Marketplace.

Sec. 12. **TRANSITION OF AUTHORITY.**

(a) Upon the effective date of this act, the commissioner of management and budget shall exercise all authorities and responsibilities under Minnesota Statutes, sections 62V.03 and 62V.05 until the board has satisfied the requirements of Minnesota Statutes, section 62V.05, subdivision 1, paragraph (d).

(b) Upon the establishment of bylaws, policies, and procedures governing the operations of the Minnesota Insurance Marketplace by the board as required under Minnesota Statutes, section 62V.05, subdivision 1, paragraph (d), all personnel, assets, contracts, obligations, and funds managed by the commissioner of management and budget for the design and development of the Minnesota Insurance Marketplace shall be transferred to the board. Existing personnel managed by the commissioner of management and budget for the design and development of the Minnesota Insurance Marketplace shall staff the board upon enactment.

Sec. 13. **MINNESOTA COMPREHENSIVE HEALTH ASSOCIATION.**

The commissioner of commerce, in consultation with the board of directors of the Minnesota Comprehensive Health Association, has the authority to determine the need for and to implement the eventual appropriate termination of coverage provided by the Minnesota Comprehensive Health Association under Minnesota Statutes, chapter 62E. The phase-out of coverage shall begin no sooner than January 1, 2014.

Sec. 14. **EFFECTIVE DATE.**

Sections 1 to 13 are effective the day following final enactment. Any actions taken by any state agencies in furtherance of the design, development, and implementation of the Minnesota Insurance Marketplace prior to the effective date shall be considered actions taken by the Minnesota Insurance Marketplace and shall be governed by the provisions of this chapter and state law. Health benefit plan coverage through the Minnesota Insurance Marketplace is effective January 1, 2014."

The Speaker called Hortman to the Chair.

Barrett moved to amend the Gruenhagen amendment to H. F. No. 5, the eighth engrossment, as amended, as follows:

Page 19, line 1, delete everything after the period

Page 19, delete line 2 and insert:

"Health benefit plan coverage through the Minnesota Insurance Marketplace shall not be effective until the final report on the review and analysis of the process and methodologies used to set state health care program payment rates for managed care and county-based purchasing plans for the period fiscal year 2003 through 2011 is submitted to the commissioner of human services. Upon submission of the final report, health benefit plan coverage through the marketplace shall be effective as follows:

(1) if the commissioner of human services certifies to the legislature that: (i) the results of the review and analysis indicate that state health care program payment rates were actuarially sound and that federal Medicaid rate certification was appropriate for the specified period; and (ii) that the review and analysis has not identified significant issues related to the rate setting process and methodologies that need to be addressed, coverage shall be effective 30 days following the date of certification by the commissioner; and

(2) if the commissioner of human services does not make the certification under clause (1), coverage shall be effective 30 days from the date upon which the commissioner certifies to the legislature that: (i) the necessary changes have been made to the payment process and payment methodologies to comply with the requirement that payment rates be certified as actuarially sound; and (ii) the commissioner has adequately addressed any significant issues related to the rate setting process and methodologies identified in the review and analysis."

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 58 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Abeler	Beard	Draskowski	Green	Holberg	Kiel
Albright	Benson, M.	Erickson, S.	Gruenhagen	Hoppe	Kresha
Anderson, M.	Cornish	Fabian	Gunther	Howe	Leidiger
Anderson, P.	Daudt	FitzSimmons	Hackbarth	Johnson, B.	Lohmer
Anderson, S.	Dean, M.	Franson	Hamilton	Kelly	Loon
Barrett	Dettmer	Garofalo	Hertaus	Kieffer	Mack

McDonald	O'Driscoll	Pugh	Schomacker	Torkelson	Woodard
Myhra	O'Neill	Quam	Scott	Uglen	Zerwas
Newberger	Peppin	Runbeck	Swedzinski	Urdahl	
Nornes	Petersburg	Sanders	Theis	Wills	

Those who voted in the negative were:

Allen	Dorholt	Hornstein	Lillie	Murphy, M.	Schoen
Anzelc	Erhardt	Hortman	Loeffler	Nelson	Selcer
Atkins	Erickson, R.	Huntley	Mahoney	Newton	Simon
Benson, J.	Falk	Isaacson	Marquart	Norton	Simonson
Bernardy	Faust	Johnson, C.	Masin	Paymar	Sundin
Bly	Fischer	Johnson, S.	McNamar	Pelowski	Wagenius
Brynaert	Freiberg	Kahn	Melin	Persell	Ward, J.A.
Carlson	Fritz	Laine	Metsa	Poppe	Ward, J.E.
Clark	Halverson	Lenczewski	Moran	Radinovich	Winkler
Davnie	Hansen	Lesch	Morgan	Rosenthal	Yarusso
Dehn, R.	Hausman	Liebling	Mullery	Savick	Spk. Thissen
Dill	Hilstrom	Lien	Murphy, E.	Sawatzky	

The motion did not prevail and the amendment to the amendment was not adopted.

Gruenhagen withdrew his amendment to H. F. No. 5, the eighth engrossment, as amended.

Gruenhagen moved to amend H. F. No. 5, the eighth engrossment, as amended, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2012, section 13.7191, is amended by adding a subdivision to read:

Subd. 14a. **Minnesota Insurance Marketplace.** Classification and sharing of data of the Minnesota Insurance Marketplace is governed by section 62V.06.

Sec. 2. **[62V.01] TITLE.**

This chapter may be cited as the "Minnesota Insurance Marketplace Act."

Sec. 3. **[62V.02] DEFINITIONS.**

Subdivision 1. **Scope.** For the purposes of this chapter, the following terms have the meanings given.

Subd. 2. **Board.** "Board" means the board of directors specified in section 62V.04.

Subd. 3. **Health benefit plan.** "Health benefit plan" means a policy, contract, certificate, or agreement defined in section 62A.011, subdivision 3, and a dental plan defined in section 62Q.76, subdivision 3.

Subd. 4. **Health carrier.** "Health carrier" has the meaning defined in section 62A.011.

Subd. 5. **Individual market.** "Individual market" means the market for health insurance coverage offered to individuals.

Subd. 6. **Insurance producer.** "Insurance producer" has the meaning defined in section 60K.31.

Subd. 7. **Minnesota Insurance Marketplace.** "Minnesota Insurance Marketplace" means the Minnesota Insurance Marketplace created as a state health benefit exchange as described in section 1311 of the federal Patient Protection and Affordable Care Act (Public Law 111-148), and further defined through amendments to the act and regulations issued under the act.

Subd. 8. **Navigator.** "Navigator" has the meaning described in section 1311(i) of the federal Patient Protection and Affordable Care Act (Public Law 111-148), and further defined through amendments to the act and regulations issued under the act.

Subd. 9. **MAGI public health care program.** "MAGI public health care program" means any exchange enrollment public health care program administered by the commissioner of human services whereby eligibility for the program is determined according to a modified adjusted gross income standard.

Subd. 10. **Small group market.** "Small group market" means the market for health insurance coverage offered to small employers as defined in section 62L.02, subdivision 26.

Sec. 4. **[62V.03] MINNESOTA INSURANCE MARKETPLACE; ESTABLISHMENT.**

Subdivision 1. Application of other law. (a) The Minnesota Insurance Marketplace must be reviewed by the legislative auditor under section 3.971. The legislative auditor shall audit the books, accounts, and affairs of the Minnesota Insurance Marketplace once each year or less frequently as the legislative auditor's funds and personnel permit. Pursuant to section 3.97, subdivision 3a, the Legislative Audit Commission is requested to direct the legislative auditor to report by March 1, 2014, to the legislature on any duplication of services that occurs within state government as a result of the creation of the Minnesota Insurance Marketplace. The legislative auditor may make recommendations on consolidating or eliminating any services deemed duplicative. The board shall reimburse the legislative auditor for any costs incurred in the creation of this report.

(b) Board members of the Minnesota Insurance Marketplace are subject to section 10A.07. Board members and the personnel of the Minnesota Insurance Marketplace are subject to section 10A.071.

(c) All meetings of the board shall comply with the open meeting law in chapter 13D, except that:

(1) meetings, or portions of meetings, regarding compensation negotiations with the director or managerial staff may be closed in the same manner and according to the same procedures identified in section 13D.03;

(2) meetings regarding contract negotiation strategy may be closed in the same manner and according to the same procedures identified in section 13D.05, subdivision 3, paragraph (c); and

(3) meetings, or portions of meetings, regarding not public data described in section 62V.06, subdivision 2, and regarding trade secret information as defined in section 13.37, subdivision 1, paragraph (b), are closed to the public, but must otherwise comply with the procedures identified in chapter 13D.

(d) The Minnesota Insurance Marketplace and provisions specified under this chapter are exempt from:

(1) chapter 14, including section 14.386 but not sections 14.48 to 14.69; and

(2) chapters 16B and 16C, with the exception of sections 16C.08, subdivision 2, paragraph (b), clauses (1) to (8); 16C.086; 16C.09, paragraph (a), clauses (1) and (3), paragraph (b), and paragraph (c); and section 16C.16. However, the Minnesota Insurance Marketplace, in consultation with the commissioner of administration, shall

implement policies and procedures to establish an open and competitive procurement process for the Minnesota Insurance Marketplace that, to the extent practicable, conforms to the principles and procedures contained in chapters 16B and 16C. In addition, the Minnesota Insurance Marketplace may enter into an agreement with the commissioner of administration for other services.

Subd. 2. **Continued operation of a private marketplace.** (a) Nothing in this chapter shall be construed to prohibit: (1) a health carrier from offering outside of the Minnesota Insurance Marketplace a health benefit plan to a qualified individual or qualified employer; and (2) a qualified individual from enrolling in, or a qualified employer from selecting for its employees, a health benefit plan offered outside of the Minnesota Insurance Marketplace.

(b) Nothing in this chapter shall be construed to restrict the choice of a qualified individual to enroll or not enroll in a qualified health plan or to participate in the Minnesota Insurance Marketplace. Nothing in this chapter shall be construed to compel an individual to enroll in a qualified health plan or to participate in the Minnesota Insurance Marketplace.

(c) For purposes of this subdivision, "qualified individual" and "qualified employer" have the meanings given in section 1312 of the Affordable Care Act, Public Law 111-148, and further defined through amendments to the act and regulations issued under the act.

Sec. 5. **[62V.04] GOVERNANCE.**

Subdivision 1. **Board.** The Minnesota Insurance Marketplace is governed by a board of directors with seven members.

Subd. 2. **Appointment.** (a) Board membership of the Minnesota Insurance Marketplace consists of the following:

(1) three members appointed by the governor with the advice and consent of both the senate and the house of representatives acting separately in accordance with paragraph (d), with one member representing the interests of individual consumers eligible for individual market coverage, one member representing individual consumers eligible for MAGI public health care program coverage, and one member representing small employers. Members are appointed to serve four-year staggered terms following the initial staggered-term lot determination;

(2) three members appointed by the governor with the advice and consent of both the senate and the house of representatives acting separately in accordance with paragraph (d) who have demonstrated expertise, leadership, and innovation in the following areas: one member representing the areas of health administration, health care finance, health plan purchasing, and health care delivery systems; one member representing the areas of public health, health disparities, MAGI public health care programs, and the uninsured; and one member representing health policy issues related to the small group and individual markets. Members are appointed to serve four-year staggered terms following the initial staggered-term lot determination; and

(3) the commissioner of human services or a designee.

(b) Section 15.0597 shall apply to all appointments, except for the commissioner and initial appointments.

(c) The governor shall make appointments to the board that are consistent with federal law and regulations regarding its composition and structure.

(d) Upon appointment by the governor, a board member shall exercise duties of office immediately. If both the house of representatives and the senate vote not to confirm an appointment, the appointment terminates on the day following the vote not to confirm in the second body to vote.

(e) Initial appointments shall be made by April 30, 2013.

(f) One of the members appointed under paragraph (a), clauses (1) and (2), must have experience in representing the needs of vulnerable populations and persons with disabilities.

(g) Membership on the board must include representation from outside the seven-county metropolitan area, as defined in section 473.121, subdivision 2.

Subd. 3. Terms. (a) Board members may serve no more than two consecutive terms, except for the commissioner or the commissioner's designee, who shall serve until replaced by the governor.

(b) A board member may resign at any time by giving written notice to the board.

(c) The appointed members under subdivision 2, paragraph (a), clauses (1) and (2), shall have an initial term of two, three, or four years, determined by lot by the secretary of state.

Subd. 4. Conflicts of interest. (a) Within one year prior to or at any time during their appointed term, board members appointed under subdivision 2, paragraph (a), clauses (1) and (2), shall not be employed by, be a member of the board of directors of, or otherwise be a representative of a health carrier, institutional health care provider or other entity providing health care, navigator, insurance producer, or other entity in the business of selling items or services of significant value to or through the Minnesota Insurance Marketplace. No member of the board may currently serve as a lobbyist, as defined under section 10A.01, subdivision 21.

(b) Directors must recuse themselves from discussion of and voting on an official matter if the director has a conflict of interest. A conflict of interest means an association including a financial or personal association that has the potential to bias or have the appearance of biasing a director's decisions in matters related to the exchange or the conduct of activities under this act.

Subd. 5. Acting chair; first meeting; supervision. (a) The governor shall designate as acting chair one of the appointees described in subdivision 2.

(b) The board shall hold its first meeting within 60 days of enactment.

(c) The board shall elect a chair to replace the acting chair at the first meeting.

Subd. 6. Chair. The board shall have a chair, elected by a majority of members. The chair shall serve for one year.

Subd. 7. Officers. The members of the board shall elect officers by a majority of members. The officers shall serve for one year.

Subd. 8. Vacancies. If a vacancy occurs for a board seat that was appointed by the governor, the governor shall appoint a new member within 90 days, and the newly appointed member shall be subject to the same confirmation process described in subdivision 2.

Subd. 9. Removal. A board member may be removed by the board only for cause, following notice, hearing, and a two-thirds vote of the board. A conflict of interest as defined in subdivision 4 shall be cause for removal from the board.

Subd. 10. Meetings. The board shall meet at least quarterly.

Subd. 11. **Quorum.** A majority of the members of the board constitutes a quorum, and the affirmative vote of a majority of members of the board is necessary and sufficient for action taken by the board.

Subd. 12. **Compensation.** Board members may be compensated according to section 15.0575.

Subd. 13. **Advisory committees.** (a) The board may establish, as necessary, advisory committees to gather information related to the operation of the Minnesota Insurance Marketplace.

(b) Section 15.0597 shall not apply to any advisory committee established by the board.

Sec. 6. **[62V.05] RESPONSIBILITIES AND POWERS OF THE MINNESOTA INSURANCE MARKETPLACE.**

Subdivision 1. **General.** (a) The board shall operate the Minnesota Insurance Marketplace according to this chapter and applicable state and federal law.

(b) The board has the power to:

(1) employ personnel and delegate administrative, operational, and other responsibilities to the director and other personnel as deemed appropriate by the board. This authority is subject to chapters 43A and 179A. The director and managerial staff of the Minnesota Insurance Marketplace shall serve in the unclassified service and shall be governed by a compensation plan prepared by the board, submitted to the commissioner of management and budget for review and comment within 14 days of its receipt, and approved by the Legislative Coordinating Commission and the legislature under section 3.855, except that section 15A.0815, subdivision 5, paragraph (e), shall not apply;

(2) establish the budget of the Minnesota Insurance Marketplace;

(3) seek and accept money, grants, loans, donations, materials, services, or advertising revenue from government agencies, philanthropic organizations, and public and private sources to fund the operation of the Minnesota Insurance Marketplace. No revenue raising effort shall advantage any specific health benefit plan, health carrier, or insurer producer active in the business of the Minnesota Insurance Marketplace;

(4) contract for the receipt and provision of goods and services;

(5) enter into information-sharing agreements with federal and state agencies and other entities, provided the agreements include adequate protections with respect to the confidentiality and integrity of the information to be shared, and comply with all applicable state and federal laws, regulations, and rules, including the requirements of section 62V.06; and

(6) exercise all powers reasonably necessary to implement and administer the requirements of this chapter and the Affordable Care Act, Public Law 111-148.

(c) The board shall establish policies and procedures to gather public comment and provide public notice in the State Register.

(d) Within 180 days of enactment, the board shall establish bylaws, policies, and procedures governing the operations of the Minnesota Insurance Marketplace in accordance with this chapter.

(e) If the board's policies, procedures, or other statements are rules, as defined in section 14.02, subdivision 4, the following requirements apply:

(1) the board shall publish proposed rules in the State Register;

(2) interested parties have 30 days to comment on the proposed rules. The board must consider comments it receives. After the board has considered all comments, the board shall publish the final rule in the State Register;

(3) if the adopted rules are the same as the proposed rules, the notice shall state that the rules have been adopted as proposed and shall cite the prior publication. If the adopted rules differ from the proposed rules, the portions of the adopted rules that differ from the proposed rules shall be included in the notice of adoption, together with a citation to the prior State Register that contained the notice of the proposed rules; and

(4) rules published in the State Register before January 1, 2014, take effect upon publication. Rules published in the State Register on and after January 1, 2014, take effect 30 days after publication.

Subd. 2. **Operations funding.** (a) Prior to January 1, 2015, the Minnesota Insurance Marketplace shall retain or collect up to 3.5 percent of total premiums for individual market and small group market health benefit plans sold through the Minnesota Insurance Marketplace to fund cash reserves of the Minnesota Insurance Marketplace, but the amount collected shall not exceed a dollar amount equal to 25 percent of the funds collected under section 62E.11, subdivision 6, for calendar year 2012.

(b) Beginning January 1, 2015, the Minnesota Insurance Marketplace shall retain or collect up to 3.5 percent of premiums for individual market and small group market health benefit plans sold through the Minnesota Insurance Marketplace to fund operations of the Minnesota Insurance Marketplace, but the amount collected shall not exceed a dollar amount equal to 50 percent of the funds collected under section 62E.11, subdivision 6, for calendar year 2012.

(c) Beginning January 1, 2016, the Minnesota Insurance Marketplace shall retain or collect up to 3.5 percent of premiums for individual market and small group market health benefit plans sold through the Minnesota Insurance Marketplace to fund operations of the Minnesota Insurance Marketplace, but the annual growth in the amount collected or retained shall not exceed the annual rate of inflation after accounting for year-to-year enrollment changes and may never exceed 100 percent of the funds collected under section 62E.11, subdivision 6, for calendar year 2012.

Subd. 3. **Insurance producers.** (a) The board, in consultation with the commissioner of commerce, shall establish minimum standards for certifying insurance producers who may sell health benefit plans through the Minnesota Insurance Marketplace. Producers must complete four hours of training in order to receive certification. The training must include online enrollment tools, compliance with privacy and security standards, an assessment of the affordability of various cost-sharing responsibilities, how to evaluate known health needs for that individual and the likely health needs for the relevant age group, the eligibility requirements for premium assistance and MAGI public health care programs, the availability of navigator assistance and enrollment support, tax provisions that may apply to group health benefit plan purchases, and Minnesota specific programs and marketplace laws. Certification and training shall be administered by the commissioner of commerce, and the training required under this subdivision shall qualify as continuing education required under chapter 60K. In order to remain certified under this subdivision, insurance producers must comply with all applicable certification requirements, including the requirements established under paragraphs (d) and (e). A person shall not sell, solicit, or negotiate insurance for any class or classes of insurance unless the person is licensed for that line of authority under sections 60K.30 to 60K.56.

(b) Producer compensation shall be established by health carriers that provide health benefit plans through the Minnesota Insurance Marketplace. Compensation to producers must be equivalent for health benefit plans sold through the marketplace or outside the marketplace.

(c) Each health carrier that offers or sells health benefit plans through the Minnesota Insurance Marketplace shall report in writing to the marketplace on a quarterly basis the compensation and other incentives it offers or provides to its insurance producers with regard to each type of health benefit plan the health carrier offers or sells both inside and outside the marketplace.

(d) Nothing in this act shall prohibit an insurance producer from offering professional advice and recommendations to a small group purchaser based upon information provided to the producer.

(e) An insurance producer that offers health benefit plans in the individual market must not sell or renew an individual health benefit plan to a person whose income indicates the person may be eligible for either premium assistance or a MAGI public health program, without first informing the person of the person's potential eligibility for premium assistance or a MAGI public health program and either offering assistance in determining the person's eligibility, or referring the person for assistance in determining eligibility. Nothing in this paragraph prohibits an individual from refusing to apply for any public program or tax credit.

(f) An insurance producer that offers health benefit plans in the small group market shall notify each small group purchaser of which group health benefit plans qualify for Internal Revenue Service approved section 125 tax benefits. The insurance producer shall also notify small group purchasers of state law provisions that benefit small group plans when the employer agrees to pay 50 percent or more of its employees' premium. Persons who are eligible for cost-effective medical assistance will count toward the 75 percent participation requirement in section 62L.03, subdivision 3.

(g) Any insurance producer assisting an individual or small employer with purchasing coverage through the Minnesota Insurance Marketplace must disclose, orally and in writing, to the individual or small employer at the time of the first solicitation with the prospective purchaser the following:

(1) the health carriers and qualified health plans offered through the Minnesota Insurance Marketplace that the producer is authorized to sell, and that the producer may not be authorized to sell all the qualified health plans offered through the Minnesota Insurance Marketplace;

(2) the producer may be receiving compensation from a health carrier for enrolling the individual or small employer into a particular health plan; and

(3) information on all qualified health plans offered through the Minnesota Insurance Marketplace is available through the Minnesota Insurance Marketplace Web site.

For purposes of this paragraph, "solicitation" means any contact by a producer, or any person acting on behalf of a producer made for the purpose of selling or attempting to sell coverage through the Minnesota Insurance Marketplace. If the first solicitation is made by telephone, the disclosures required under this paragraph need not be made in writing, but the fact that disclosure has been made must be memorialized when the policy is delivered.

Subd. 4. Navigator; in-person assisters; call center. (a) The board shall establish policies and procedures for the ongoing operation of a navigator program, in-person assister program, call center, and customer service provisions for the Minnesota Insurance Marketplace to be implemented beginning January 1, 2015. The policies and procedures must require that a person complete at least eight hours of training specific to helping people obtain insurance through the exchange before working as an in-person assister or before working as or on behalf of a navigator directly with people seeking insurance through the exchange.

(b) Until the implementation of the policies and procedures described in paragraph (a), the following shall be in effect:

(1) the navigator program shall be fulfilled through section 256.962;

(2) entities eligible to be navigators, including insurance producers, Indian tribes and organizations, and counties may serve as in-person assisters;

(3) the board shall establish requirements and compensation for the in-person assister program by April 30, 2013. Compensation for in-person assisters must take into account any other compensation received by the in-person assister for conducting the same or similar services; and

(4) call center operations shall utilize existing state resources and personnel, including referrals to counties for medical assistance.

(c) The board shall establish a toll-free number for the Minnesota Insurance Marketplace and may hire and contract for additional resources as deemed necessary.

(d) In establishing training standards for the navigator program, the board must ensure that all entities and individuals carrying out navigator functions have training in the needs of underserved and vulnerable populations; eligibility and enrollment rules and procedures; the range of available public health care programs and qualified health plan options available through the Minnesota Insurance Marketplace; and privacy and security standards. For calendar year 2014, the commissioner of human services shall ensure that the program under section 256.962 provides application assistance for both qualified health plans offered through the Minnesota Insurance Marketplace and public health care programs.

Subd. 5. Health carrier requirements; participation. (a) Beginning January 1, 2015, the board shall have the power to establish certification requirements for health carriers and health benefit plans offered through the Minnesota Insurance Marketplace unless by June 1, 2013, the legislature enacts regulatory requirements that:

(1) apply uniformly to all health carriers and health benefit plans in the individual market;

(2) apply uniformly to all health carriers and health benefit plans in the small group market; and

(3) satisfy federal certification requirements for the Minnesota Insurance Marketplace.

(b) For certification requirements established by the board under paragraph (a), the board shall establish network adequacy requirements that are not inconsistent with the most popular health benefit plans offered through the Minnesota Insurance Marketplace under paragraph (c) in 2014 or 2015.

(c) No health carrier shall be required to participate in the Minnesota Insurance Marketplace. Beginning January 1, 2015, for those health carriers that opt to participate in the Minnesota Insurance Marketplace, the board shall approve two health benefit plans, of which one must be the most popular health benefit plan that a health carrier offers at each of the catastrophic, bronze, silver, and gold actuarial value levels for each service area in which the health carrier offers coverage in the individual and small group markets. The most popular health benefit plan is determined by the highest enrollment inside and outside the Minnesota Insurance Marketplace by number of lives at the end of the open enrollment period in the preceding year, excluding health benefit plans closed to new enrollment as of the preceding year. In determining the most popular health benefit plans, health benefit plans offered in the individual market prior to January 1, 2014, are not included. If a health carrier participating in the Minnesota Insurance Marketplace offers less than two health benefit plans in an actuarial value level or service area in the individual or small group market, the health carrier shall offer all health benefit plans it offers in that actuarial value level or service area in the individual or small group market in the Minnesota Insurance Marketplace.

(d) If a health carrier or parent organization participating in the Minnesota Insurance Marketplace offers health benefit plans outside the Minnesota Insurance Marketplace in the individual or small group market, the health carrier must offer health benefit plans at the silver and gold actuarial levels outside the Minnesota Insurance Marketplace for each service area in which the health carrier offers coverage in the individual and small group markets.

(e) Beginning January 1, 2015, the board has the power to select health benefit plans in addition to those specified in paragraph (c) to participate in the Minnesota Insurance Marketplace. In the selection process, the board shall seek to provide health coverage choices that offer the optimal combination of choice, value, quality, and service. Selection of additional health benefit plans must be determined in the best interests of individual consumers and employers and within federal requirements. The board shall consistently and uniformly apply requirements, standards, and criteria to all health carriers and health benefit plans. In determining the best interests, the board shall consider:

(1) affordability and value;

(2) promotions of high-quality care;

(3) promotion of prevention and wellness;

(4) ensuring access to care;

(5) alignment and coordination with state agency and private sector purchasing strategies and payment reform efforts; and

(6) other criteria that the board determines appropriate.

(f) For health benefit plans offered through the Minnesota Insurance Marketplace beginning January 1, 2015, health carriers must use the most current addendum for Indian health care providers approved by the Centers for Medicare and Medicaid Services and the tribes as part of their contracts with Indian health care providers.

(g) For 2014, the board shall not have the power to select health carriers and health benefit plans for participation in the Minnesota Insurance Marketplace. The board shall have the power to verify that health carriers and health benefit plans were properly certified under certification guidance in place on January 1, 2013, to be eligible for participation in the Minnesota Insurance Marketplace. Notwithstanding the foregoing, any catastrophic health plan, as defined in section 1302(e) of the federal Patient Protection and Affordable Care Act (Public Law 111-148), shall be eligible for participation in the Minnesota Insurance Marketplace in 2014.

(h) The board has the authority to decertify health carriers and health benefit plans that fail to maintain compliance with section 1311(c) of the federal Patient Protection and Affordable Care Act (Public Law 111-148).

Subd. 6. Appeals. (a) The board may conduct hearings, appoint hearing officers, and recommend final orders related to appeals of any Minnesota Insurance Marketplace determinations, except for those determinations identified in paragraph (d). An appeal by a health carrier regarding a specific certification or selection determination made by the Minnesota Insurance Marketplace under subdivision 5, paragraph (a) or (b), must be conducted as a contested case proceeding under chapter 14, with the report or order of the administrative law judge constituting the final decision in the case, subject to judicial review under sections 14.63 to 14.69. For other appeals, the board shall establish hearing processes which provide for a reasonable opportunity to be heard and timely resolution of the appeal and which are consistent with the requirements of federal law and guidance. An appealing party may be represented by legal counsel at these hearings, but this is not a requirement.

(b) The Minnesota Insurance Marketplace may establish service-level agreements with state agencies to conduct hearings for appeals. Notwithstanding section 471.59, subdivision 1, a state agency is authorized to enter into service-level agreements for this purpose with the Minnesota Insurance Marketplace.

(c) For proceedings under this subdivision, the Minnesota Insurance Marketplace may be represented by an attorney who is an employee of the Minnesota Insurance Marketplace.

(d) This subdivision does not apply to appeals of determinations where a state agency hearing is available under section 256.045.

Subd. 7. **Agreements; consultation.** (a) The board shall:

(1) establish and maintain an agreement with the chief information officer of the Office of Enterprise Technology for information technology services that ensures coordination with MAGI public health care programs. The board may establish and maintain agreements with the chief information officer of the Office of Enterprise Technology for other information technology services, including an agreement that would permit the Minnesota Insurance Marketplace to administer eligibility for additional health care and public assistance programs under the authority of the commissioner of human services;

(2) establish and maintain an agreement with the commissioner of human services for cost allocation and services regarding eligibility determinations and enrollment for MAGI public health care programs. The board may establish and maintain an agreement with the commissioner of human services for other services;

(3) establish and maintain an agreement with the commissioners of commerce and health for services regarding enforcement of Minnesota Insurance Marketplace certification requirements for health benefit plans offered through the Minnesota Insurance Marketplace. The board may establish and maintain agreements with the commissioners of commerce and health for other services; and

(4) establish interagency agreements to transfer funds to other state agencies for their costs related to implementing and operating the Minnesota Insurance Marketplace, excluding medical assistance allocatable costs.

(b) The board shall consult with the commissioners of commerce and health regarding the operations of the Minnesota Insurance Marketplace.

(c) The board shall consult with Indian tribes and organizations regarding the operation of the Minnesota Insurance Marketplace.

(d) The board shall establish an advisory committee consisting of representatives from the health care industry, consumers, and other stakeholders to provide information and advise the board on the operations of the Minnesota Insurance Marketplace.

Subd. 8. **Limitations; risk-bearing.** (a) The board shall not bear insurance risk or enter into any agreement with health care providers to pay claims.

(b) Nothing in this subdivision shall prevent the Minnesota Insurance Marketplace from providing insurance for its employees.

Sec. 7. **[62V.06] DATA PRACTICES.**

Subdivision 1. **Applicability.** The Minnesota Insurance Marketplace is a state agency for purposes of the Minnesota Government Data Practices Act and is subject to all provisions of chapter 13, in addition to the requirements contained in this section.

Subd. 2. **Definitions.** As used in this section:

(1) "individual" means an individual according to section 13.02, subdivision 8, but does not include a vendor of services; and

(2) "participating" means that an individual, employee, or employer is seeking, or has sought an eligibility determination, enrollment processing, or premium processing through the Minnesota Insurance Marketplace.

Subd. 3. **General data classifications.** The following data collected, created, or maintained by the Minnesota Insurance Marketplace (Marketplace) are classified as private data on individuals, as defined in section 13.02, subdivision 12, or nonpublic data, as defined in section 13.02, subdivision 9:

(1) data on any individual participating in the Marketplace;

(2) data on any individuals participating in the Marketplace as employees of an employer participating in the Marketplace; and

(3) data on employers participating in the Marketplace.

Subd. 4. **Application and certification data.** (a) Data submitted by an insurance producer in an application for certification to sell a health benefit plan through the Marketplace, or submitted by an applicant seeking permission or a commission to act as a navigator or in-person assister, are classified as follows:

(1) at the time the application is submitted, all data contained in the application are private data, as defined in section 13.02, subdivision 12, or nonpublic data as defined in section 13.02, subdivision 9, except that the name of the applicant is public; and

(2) upon a final determination related to the application for certification by the Marketplace, all data contained in the application are public, with the exception of trade secret data as defined in section 13.37.

(b) Data created or maintained by a government entity as part of the evaluation of an application are protected nonpublic data, as defined in section 13.02, subdivision 13, until a final determination as to certification is made and all rights of appeal have been exhausted. Upon a final determination and exhaustion of all rights of appeal, these data are public, with the exception of trade secret data as defined in section 13.37 and data subject to attorney-client privilege or other protection as provided in section 13.393.

(c) If an application is denied, the public data must include the criteria used by the board to evaluate the application and the specific reasons for the denial, and these data must be published on the Marketplace Web site.

Subd. 5. **Data sharing.** (a) The Minnesota Insurance Marketplace may share or disseminate data classified as private or nonpublic in subdivision 4 as follows:

(1) to the subject of the data, as provided in section 13.04;

(2) according to a court order;

(3) according to a state or federal law specifically authorizing access to the data;

(4) with other state or federal agencies, only to the extent necessary to verify the identity of, determine the eligibility of, process premiums for, process enrollment of, or investigate fraud related to an individual, employer, or employee participating in the Marketplace, provided that the Marketplace must enter into a data-sharing agreement with the agency prior to sharing data under this clause; and

(5) with a nongovernmental person or entity, only to the extent necessary to verify the identity of, determine the eligibility of, process premiums for, process enrollment of, or investigate fraud related to an individual, employer, or employee participating in the Marketplace, provided that the Marketplace must enter a contract with the person or entity, as provided in section 13.05, subdivision 6 or 11, prior to disseminating data under this clause.

(b) The Minnesota Insurance Marketplace may share or disseminate data classified as private or nonpublic in subdivision 4 as follows:

(1) to the subject of the data, as provided in section 13.04;

(2) according to a court order;

(3) according to a state or federal law specifically authorizing access to the data;

(4) with other state or federal agencies, only to the extent necessary to carry out the functions of the Marketplace, provided that the Marketplace must enter into a data-sharing agreement with the agency prior to sharing data under this clause; and

(5) with a nongovernmental person or entity, only to the extent necessary to carry out the functions of the Marketplace, provided that the Marketplace must enter a contract with the person or entity, as provided in section 13.05, subdivision 6 or 11, prior to disseminating data under this clause.

(c) Sharing or disseminating data outside of the exchange in a manner not authorized by this subdivision is prohibited. The list of authorized dissemination and sharing contained in this subdivision must be included in the Tennessee warning required by section 13.04, subdivision 2.

(d) Until July 1, 2014, state agencies must share data classified as private or nonpublic on individuals, employees, or employers participating in the Marketplace with the Marketplace, only to the extent such data are necessary to verify the identity of, determine the eligibility of, process premiums for, process enrollment of, or investigate fraud related to a Marketplace participant. The agency must enter into a data-sharing agreement with the Marketplace prior to sharing any data under this paragraph.

Subd. 6. **Notice and disclosures.** (a) In addition to the Tennessee warning required by section 13.04, subdivision 2, the Marketplace must provide any data subject asked to supply private data with:

(1) a notice of rights related to the handling of genetic information, pursuant to section 13.386; and

(2) a notice of the records retention policy of the Marketplace, detailing the length of time the Marketplace will retain data on the individual and the manner in which it will be destroyed upon expiration of that time.

(b) All notices required by this subdivision, including the Tennessee warning, must be provided in an electronic format suitable for downloading or printing.

Subd. 7. **Summary data.** In addition to creation and disclosure of summary data derived from private data on individuals, as permitted by section 13.05, subdivision 7, the Marketplace may create and disclose summary data derived from data classified as nonpublic under this section.

Subd. 8. **Access to data; audit trail.** (a) Only individuals with explicit authorization from the board may enter, update, or access not public data collected, created, or maintained by the Marketplace. The ability of authorized individuals to enter, update, or access data must be limited through the use of role-based access that corresponds to the official duties or training level of the individual, and the statutory authorization that grants access for that purpose. All queries and responses, and all actions in which data are entered, updated, accessed, or shared or disseminated outside of the marketplace, must be recorded in a data audit trail. Data contained in the audit trail are public, to the extent that the data are not otherwise classified by this section.

(b) This subdivision shall not limit or affect the authority of the legislative auditor to access data needed to conduct audits, evaluations, or investigations of the Marketplace or the obligation of the board and Marketplace employees to comply with section 3.978, subdivision 2.

(c) This subdivision does not apply to actions taken by a Minnesota Insurance Marketplace participant to enter, update, or access data held by the Minnesota Insurance Marketplace, if the participant is the subject of the data that is entered, updated, or accessed.

Subd. 9. **Sale of data prohibited.** The Marketplace may not sell any data collected, created, or maintained by the Marketplace, regardless of its classification, for commercial or any other purposes.

Sec. 8. **[62V.07] FUNDS.**

All funds received by the Minnesota Insurance Marketplace must be deposited in a dedicated account in the special revenue fund which may earn interest and are appropriated to the Minnesota Insurance Marketplace for the purpose for which the funds were received.

Sec. 9. **[62V.08] REPORT.**

(a) The Minnesota Insurance Marketplace shall submit a report to the legislature by January 15, 2015, and each January 15 thereafter, on: (1) the performance of Minnesota Insurance Marketplace operations; (2) meeting the Minnesota Insurance Marketplace responsibilities; and (3) an accounting of the Minnesota Insurance Marketplace budget activities.

(b) The exchange must publish the administrative and operational costs of the exchange on a Web site to educate consumers on those costs. The information published must include the amount of premiums and federal premium subsidies collected by the exchange; the amount and source of revenue received under section 62V.05, subdivision 1, paragraph (b), clause (3); the amount and source of any other fees collected by the exchange for purposes of supporting its operations; and any misuse of funds as identified in accordance with section 3.975. The Web site must be updated at least annually.

Sec. 10. **[62V.09] EXPIRATION AND SUNSET EXCLUSION.**

Notwithstanding Minnesota Statutes, section 15.059, the Minnesota Insurance Marketplace Act shall not expire. The board is not subject to review or sunseting under Minnesota Statutes, chapter 3D.

Sec. 11. **[62V.10] RIGHT NOT TO PARTICIPATE.**

Nothing in this chapter infringes on the right of a Minnesota citizen not to participate in the Minnesota Insurance Marketplace.

Sec. 12. **TRANSITION OF AUTHORITY.**

(a) Upon the effective date of this act, the commissioner of management and budget shall exercise all authorities and responsibilities under Minnesota Statutes, sections 62V.03 and 62V.05 until the board has satisfied the requirements of Minnesota Statutes, section 62V.05, subdivision 1, paragraph (d).

(b) Upon the establishment of bylaws, policies, and procedures governing the operations of the Minnesota Insurance Marketplace by the board as required under Minnesota Statutes, section 62V.05, subdivision 1, paragraph (d), all personnel, assets, contracts, obligations, and funds managed by the commissioner of management and budget for the design and development of the Minnesota Insurance Marketplace shall be transferred to the board. Existing personnel managed by the commissioner of management and budget for the design and development of the Minnesota Insurance Marketplace shall staff the board upon enactment.

Sec. 13. **MINNESOTA COMPREHENSIVE HEALTH ASSOCIATION.**

The commissioner of commerce, in consultation with the board of directors of the Minnesota Comprehensive Health Association, has the authority to determine the need for and to implement the eventual appropriate termination of coverage provided by the Minnesota Comprehensive Health Association under Minnesota Statutes, chapter 62E. The phase-out of coverage shall begin no sooner than January 1, 2014.

Sec. 14. **EFFECTIVE DATE.**

Sections 1 to 13 are effective the day following final enactment. Any actions taken by any state agencies in furtherance of the design, development, and implementation of the Minnesota Insurance Marketplace prior to the effective date shall be considered actions taken by the Minnesota Insurance Marketplace and shall be governed by the provisions of this chapter and state law. Health benefit plan coverage through the Minnesota Insurance Marketplace is effective January 1, 2014."

Hoppe moved to amend the Gruenhagen amendment to H. F. No. 5, the eighth engrossment, as amended, as follows:

Page 12, after line 16, insert:

"(i) All health benefit plans offered through the Minnesota Insurance Marketplace must provide coverage for all mandated benefits required of health maintenance organizations under Minnesota law."

The motion prevailed and the amendment to the amendment was adopted.

Gruenhagen moved to amend his amendment, as amended, to H. F. No. 5, the eighth engrossment, as amended, as follows:

Page 12, after line 16, insert:

"(i) A health carrier shall provide a premium rebate to each married couple purchasing a health benefit plan from the health carrier through the Minnesota Insurance Marketplace. The premium rebate must equal the dollar amount of the difference in premium tax credits received by the married couple and the premium tax credits that would have been received if coverage was purchased by that couple as though they were living together unmarried, given the different treatment of married couples and pairs of individuals with the same total income under the federal poverty guidelines. The health carrier shall provide this rebate for each period of coverage. The marketplace board shall make all computer and systems changes necessary to implement this paragraph. This paragraph only applies if the married couple provides written consent to the marketplace board and health carrier for the release and exchange of premium tax credit and other information necessary to implement this section."

The motion did not prevail and the amendment to the amendment, as amended, was not adopted.

Gruenhagen offered an amendment to his amendment, as amended, to H. F. No. 5, the eighth engrossment, as amended.

POINT OF ORDER

Atkins raised a point of order pursuant to rule 3.21 that the amendment to the amendment, as amended, was not in order. Speaker pro tempore Hortman ruled the point of order well taken and the amendment to the amendment, as amended, out of order.

Gruenhagen appealed the decision of Speaker pro tempore Hortman.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of Speaker pro tempore Hortman stand as the judgment of the House?" and the roll was called. There were 71 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Allen	Dorholt	Hornstein	Lillie	Murphy, M.	Schoen
Anzelc	Erhardt	Hortman	Loeffler	Nelson	Selcer
Atkins	Erickson, R.	Huntley	Mahoney	Newton	Simon
Benson, J.	Falk	Isaacson	Marquart	Norton	Simonson
Bernardy	Faust	Johnson, C.	Masin	Paymar	Sundin
Bly	Fischer	Johnson, S.	McNamar	Pelowski	Wagenius
Brynaert	Freiberg	Kahn	Melin	Persell	Ward, J.A.
Carlson	Fritz	Laine	Metsa	Poppe	Ward, J.E.
Clark	Halverson	Lenczewski	Moran	Radinovich	Winkler
Davnie	Hansen	Lesch	Morgan	Rosenthal	Yarusso
Dehn, R.	Hausman	Liebling	Mullery	Savick	Spk. Thissen
Dill	Hilstrom	Lien	Murphy, E.	Sawatzky	

Those who voted in the negative were:

Abeler	Dean, M.	Gunther	Kiel	O'Driscoll	Swedzinski
Albright	Dettmer	Hackbarth	Kresha	O'Neill	Theis
Anderson, M.	Drazkowski	Hamilton	Leidiger	Peppin	Torkelson
Anderson, P.	Erickson, S.	Hertaus	Lohmer	Petersburg	Uglen
Anderson, S.	Fabian	Holberg	Loon	Pugh	Urdahl
Barrett	FitzSimmons	Hoppe	Mack	Quam	Wills
Beard	Franson	Howe	McDonald	Runbeck	Woodard
Benson, M.	Garofalo	Johnson, B.	Myhra	Sanders	Zerwas
Cornish	Green	Kelly	Newberger	Schomacker	
Daudt	Gruenhagen	Kieffer	Nornes	Scott	

So it was the judgment of the House that the decision of Speaker pro tempore Hortman should stand.

Gruenhagen moved to amend his amendment, as amended, to H. F. No. 5, the eighth engrossment, as amended, as follows:

Page 17, after line 24, insert:

"Sec. 12. **[62V.11] CERTAIN FEDERALLY NONQUALIFIED HEALTH PLANS; SALE PERMITTED.**

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

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

(c) "Health plan" has the meaning given in section 62Q.01, subdivision 3.

(d) "Health plan company" has the meaning given in section 62Q.01, subdivision 4.

(e) "Nonqualified health plan" means any health plan not certified by the federal secretary of health and human services in accordance with the Patient Protection and Affordable Care Act of 2010, as amended.

(f) "Qualified health plan" means a health plan certified by the federal secretary of health and human services for eligibility to be sold inside health benefit exchanges in accordance with the Patient Protection and Affordable Care Act of 2010, as amended.

Subd. 2. **Sale of nonqualified health plan permitted.** A health plan company authorized under Minnesota law to offer, issue, sell, or renew a health plan in Minnesota may do so regardless of whether the health plan is a qualified or nonqualified health plan under the federal Patient Protection and Affordable Care Act of 2010, as amended. No statute or rule of this state shall be interpreted as providing to the contrary.

Subd. 3. **Limitation.** This section must not be used to authorize, establish, or operate a health insurance exchange."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment, as amended, and the roll was called. There were 59 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean, M.	Gunther	Kiel	O'Driscoll	Swedzinski
Albright	Dettmer	Hackbarth	Kresha	O'Neill	Theis
Anderson, M.	Drazkowski	Hamilton	Leidiger	Peppin	Torkelson
Anderson, P.	Erickson, S.	Hertaus	Lohmer	Petersburg	Uglem
Anderson, S.	Fabian	Holberg	Loon	Pugh	Urdahl
Barrett	FitzSimmons	Hoppe	Mack	Quam	Wills
Beard	Franson	Howe	McDonald	Runbeck	Winkler
Benson, M.	Garofalo	Johnson, B.	Myhra	Sanders	Woodard
Cornish	Green	Kelly	Newberger	Schomacker	Zerwas
Daudt	Gruenhagen	Kieffer	Nornes	Scott	

Those who voted in the negative were:

Allen	Dorholt	Hornstein	Lillie	Murphy, M.	Schoen
Anzelc	Erhardt	Hortman	Loeffler	Nelson	Selcer
Atkins	Erickson, R.	Huntley	Mahoney	Newton	Simon
Benson, J.	Falk	Isaacson	Marquart	Norton	Simonson
Bernardy	Faust	Johnson, C.	Masin	Paymar	Sundin
Bly	Fischer	Johnson, S.	McNamar	Pelowski	Wagenius
Brynaert	Freiberg	Kahn	Melin	Persell	Ward, J.A.
Carlson	Fritz	Laine	Metsa	Poppe	Ward, J.E.
Clark	Halverson	Lenczewski	Moran	Radinovich	Yarusso
Davnie	Hansen	Lesch	Morgan	Rosenthal	Spk. Thissen
Dehn, R.	Hausman	Liebling	Mullery	Savick	
Dill	Hilstrom	Lien	Murphy, E.	Sawatzky	

The motion did not prevail and the amendment to the amendment, as amended, was not adopted.

Gruenhagen withdrew his amendment, as amended, to H. F. No. 5, the eighth engrossment, as amended.

McDonald moved to amend H. F. No. 5, the eighth engrossment, as amended, as follows:

Page 6, line 1, after "Marketplace" insert ", or have worked on legislation, or performed consulting duties, related to the Minnesota Insurance Marketplace"

A roll call was requested and properly seconded.

The question was taken on the McDonald amendment and the roll was called. There were 58 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean, M.	Gunther	Kiel	O'Driscoll	Swedzinski
Albright	Dettmer	Hackbarth	Kresha	O'Neill	Theis
Anderson, M.	Drazkowski	Hamilton	Leidiger	Peppin	Torkelson
Anderson, P.	Erickson, S.	Hertaus	Lohmer	Petersburg	Uglen
Anderson, S.	Fabian	Holberg	Loon	Pugh	Urdahl
Barrett	FitzSimmons	Hoppe	Mack	Quam	Wills
Beard	Franson	Howe	McDonald	Runbeck	Woodard
Benson, M.	Garofalo	Johnson, B.	Myhra	Sanders	Zerwas
Cornish	Green	Kelly	Newberger	Schomacker	
Daudt	Gruenhagen	Kieffer	Nornes	Scott	

Those who voted in the negative were:

Allen	Dorholt	Hornstein	Lillie	Murphy, M.	Schoen
Anzelc	Erhardt	Hortman	Loeffler	Nelson	Selcer
Atkins	Erickson, R.	Huntley	Mahoney	Newton	Simon
Benson, J.	Falk	Isaacson	Marquart	Norton	Simonson
Bernardy	Faust	Johnson, C.	Masin	Paymar	Sundin
Bly	Fischer	Johnson, S.	McNamar	Pelowski	Wagenius
Brynaert	Freiberg	Kahn	Melin	Persell	Ward, J.A.
Carlson	Fritz	Laine	Metsa	Poppe	Ward, J.E.
Clark	Halverson	Lenczewski	Moran	Radinovich	Winkler
Davnie	Hansen	Lesch	Morgan	Rosenthal	Yarusso
Dehn, R.	Hausman	Liebling	Mullery	Savick	Spk. Thissen
Dill	Hilstrom	Lien	Murphy, E.	Sawatzky	

The motion did not prevail and the amendment was not adopted.

The Speaker resumed the Chair.

Albright moved to amend H. F. No. 5, the eighth engrossment, as amended, as follows:

Delete everything after the enacting clause and insert:

"Section 1. **[62V.01] DEFINITIONS.**

Subdivision 1. Health benefit plan. "Health benefit plan" has the meaning given in section 62L.02, subdivision 15.

Subd. 2. **Minnesota Insurance Clearinghouse or clearinghouse.** "Minnesota Insurance Clearinghouse" or "clearinghouse" means the entity by that name created in this act.

Subd. 3. **Small employer.** "Small employer" has the meaning given in section 62L.02, subdivision 26.

Subd. 4. **Small employer market.** "Small employer market" has the meaning given in section 62L.02, subdivision 27.

Sec. 2. **[62V.02] CREATION AND GOVERNANCE.**

Subdivision 1. **Creation.** The clearinghouse is created as an electronic online clearinghouse through which individuals and small employers can research, evaluate, select, and pay for an individual or employer-sponsored health benefit plan.

Subd. 2. **Governance.** The clearinghouse shall be supervised and regulated by the commissioner of commerce.

Subd. 3. **Advisory committee.** The commissioner of commerce may appoint an advisory committee to advise the commissioner of commerce on the maintenance and operation of the clearinghouse.

Sec. 3. **[62V.03] OPERATION OF THE CLEARINGHOUSE.**

Subdivision 1. **Electronic website.** The clearinghouse shall consist of an electronic website through which health carriers can offer health benefit plans and prospective purchasers can research, evaluate, select, and pay for an individual health benefit plan or a small employer plan.

Subd. 2. **Requirement; state law.** (a) Health benefit plans offered through the clearinghouse must be structured so as to offer a basic benefit plan and the opportunity for individual employees to add additional coverage or other features offered by the health carrier.

(b) Choices of coverage must be arranged by monthly premiums, from lowest to highest.

Sec. 4. **[62V.04] EMPLOYER TAX TREATMENT OF COVERAGE AND PREMIUMS.**

Subdivision 1. **Employee-defined contribution.** Wages received by employees from an employer may be used to purchase a health benefit plan in the individual market or to pay for group coverage if offered by the employer. These amounts are not taxable to the employee under Minnesota law as wage income and are provided on a pre-tax basis.

Subd. 2. **Employee use for other purposes.** Wages not spent under subdivision 1 may be used to either fund additional contributions to a deferred compensation arrangement, or a health savings account of the employee's choice.

EFFECTIVE DATE. This act is effective January 1, 2014."

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Albright amendment and the roll was called. There were 58 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean, M.	Gunther	Kiel	O'Driscoll	Swedzinski
Albright	Dettmer	Hackbarth	Kresha	O'Neill	Theis
Anderson, M.	Drazkowski	Hamilton	Leidiger	Peppin	Torkelson
Anderson, P.	Erickson, S.	Hertaus	Lohmer	Petersburg	Uglem
Anderson, S.	Fabian	Holberg	Loon	Pugh	Urdahl
Barrett	FitzSimmons	Hoppe	Mack	Quam	Wills
Beard	Franson	Howe	McDonald	Runbeck	Woodard
Benson, M.	Garofalo	Johnson, B.	Myhra	Sanders	Zerwas
Cornish	Green	Kelly	Newberger	Schomacker	
Daudt	Gruenhagen	Kieffer	Nornes	Scott	

Those who voted in the negative were:

Allen	Dorholt	Hortman	Loeffler	Nelson	Selcer
Anzelc	Erhardt	Huntley	Mahoney	Newton	Simon
Atkins	Erickson, R.	Isaacson	Marquart	Norton	Simonson
Benson, J.	Falk	Johnson, C.	Masin	Paymar	Sundin
Bernardy	Faust	Johnson, S.	McNamar	Pelowski	Wagenius
Bly	Fischer	Kahn	Melin	Persell	Ward, J.A.
Brynaert	Freiberg	Laine	Metsa	Poppe	Ward, J.E.
Carlson	Fritz	Lenczewski	Moran	Radinovich	Winkler
Clark	Halverson	Lesch	Morgan	Rosenthal	Yarusso
Davnie	Hansen	Liebling	Mullery	Savick	Spk. Thissen
Dehn, R.	Hausman	Lien	Murphy, E.	Sawatzky	
Dill	Hornstein	Lillie	Murphy, M.	Schoen	

The motion did not prevail and the amendment was not adopted.

Sanders was excused for the remainder of today's session.

H. F. No. 5, as amended, was read for the third time.

CALL OF THE HOUSE

On the motion of Daudt and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abeler	Benson, J.	Dean, M.	Falk	Gunther	Hornstein
Albright	Benson, M.	Dehn, R.	Faust	Hackbarth	Hortman
Allen	Bernardy	Dettmer	Fischer	Halverson	Howe
Anderson, M.	Bly	Dill	FitzSimmons	Hamilton	Huntley
Anderson, P.	Brynaert	Dorholt	Franson	Hansen	Isaacson
Anderson, S.	Carlson	Drazkowski	Freiberg	Hausman	Johnson, B.
Anzelc	Clark	Erhardt	Fritz	Hertaus	Johnson, C.
Atkins	Cornish	Erickson, R.	Garofalo	Hilstrom	Johnson, S.
Barrett	Daudt	Erickson, S.	Green	Holberg	Kahn
Beard	Davnie	Fabian	Gruenhagen	Hoppe	Kelly

Kieffer	Loon	Mullery	Pelowski	Schoen	Wagenius
Kiel	Mack	Murphy, E.	Peppin	Schomacker	Ward, J.A.
Kresha	Mahoney	Murphy, M.	Persell	Scott	Ward, J.E.
Laine	Mariani	Myhra	Petersburg	Selcer	Wills
Leidiger	Marquart	Nelson	Poppe	Simon	Winkler
Lenczewski	Masin	Newberger	Pugh	Simonson	Woodard
Lesch	McDonald	Newton	Quam	Sundin	Yarusso
Liebling	McNamar	Nornes	Radinovich	Swedzinski	Zellers
Lien	Melin	Norton	Rosenthal	Theis	Zerwas
Lillie	Metsa	O'Driscoll	Runbeck	Torkelson	Spk. Thissen
Loeffler	Moran	O'Neill	Savick	Uglem	
Lohmer	Morgan	Paymar	Sawatzky	Urdahl	

Murphy, E., moved that further proceedings of the roll call be suspended and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

H. F. No. 5, A bill for an act relating to commerce; establishing the Minnesota Insurance Marketplace; prescribing its powers and duties; prohibiting abortion coverage with certain exemptions; recognizing the right to a person's physician of choice; establishing the right not to participate; specifying open meeting requirements and data practices procedures; appropriating money; amending Minnesota Statutes 2012, section 13.7191, by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 62V.

The bill, as amended, was placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 72 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Abeler	Dill	Hornstein	Lillie	Murphy, E.	Sawatzky
Allen	Dorholt	Hortman	Loeffler	Murphy, M.	Schoen
Anzelc	Erhardt	Huntley	Mahoney	Nelson	Selcer
Atkins	Erickson, R.	Isaacson	Mariani	Newton	Simon
Benson, J.	Falk	Johnson, C.	Marquart	Norton	Simonson
Bernardy	Faust	Johnson, S.	Masin	Paymar	Sundin
Bly	Fischer	Kahn	McNamar	Pelowski	Wagenius
Brynaert	Freiberg	Laine	Melin	Persell	Ward, J.A.
Carlson	Fritz	Lenczewski	Metsa	Poppe	Ward, J.E.
Clark	Hansen	Lesch	Moran	Radinovich	Winkler
Davnie	Hausman	Liebling	Morgan	Rosenthal	Yarusso
Dehn, R.	Hilstrom	Lien	Mullery	Savick	Spk. Thissen

Those who voted in the negative were:

Albright	Dettmer	Hackbarth	Kiel	O'Driscoll	Theis
Anderson, M.	Drazkowski	Halverson	Kresha	O'Neill	Torkelson
Anderson, P.	Erickson, S.	Hamilton	Leidiger	Peppin	Uglem
Anderson, S.	Fabian	Hertaus	Lohmer	Petersburg	Urdahl
Barrett	FitzSimmons	Holberg	Loon	Pugh	Wills
Beard	Franson	Hoppe	Mack	Quam	Woodard
Benson, M.	Garofalo	Howe	McDonald	Runbeck	Zellers
Cornish	Green	Johnson, B.	Myhra	Schomacker	Zerwas
Daudt	Gruenhagen	Kelly	Newberger	Scott	
Dean, M.	Gunther	Kieffer	Nornes	Swedzinski	

The bill was passed, as amended, and its title agreed to.

MOTIONS AND RESOLUTIONS

Lesch moved that the names of Hausman and Fischer be added as authors on H. F. No. 84. The motion prevailed.

Norton moved that the name of Metsa be added as an author on H. F. No. 176. The motion prevailed.

Norton moved that the name of Isaacson be added as an author on H. F. No. 181. The motion prevailed.

Dehn, R., moved that the name of Rosenthal be added as an author on H. F. No. 276. The motion prevailed.

Franson moved that the name of Wills be added as an author on H. F. No. 293. The motion prevailed.

Gunther moved that his name be stricken as an author on H. F. No. 348. The motion prevailed.

Abeler moved that his name be stricken as an author on H. F. No. 348. The motion prevailed.

Hamilton moved that the name of Ward, J.E., be added as an author on H. F. No. 407. The motion prevailed.

Norton moved that the name of Metsa be added as an author on H. F. No. 408. The motion prevailed.

Johnson, B., moved that his name be stricken as an author on H. F. No. 470. The motion prevailed.

Metsa moved that his name be stricken as an author on H. F. No. 522. The motion prevailed.

Mahoney moved that the name of Brynaert be added as an author on H. F. No. 534. The motion prevailed.

Fritz moved that the name of Newton be added as an author on H. F. No. 558. The motion prevailed.

Radinovich moved that the name of Newton be added as an author on H. F. No. 577. The motion prevailed.

Winkler moved that the name of Lesch be added as an author on H. F. No. 592. The motion prevailed.

Johnson, S., moved that the name of Persell be added as an author on H. F. No. 633. The motion prevailed.

Laine moved that the name of Liebling be added as an author on H. F. No. 663. The motion prevailed.

Simon moved that the name of Selcer be added as an author on H. F. No. 673. The motion prevailed.

Simon moved that the name of Schoen be added as an author on H. F. No. 681. The motion prevailed.

Winkler moved that the names of Anderson, S.; Ward, J.E., and Zellers be added as authors on H. F. No. 688. The motion prevailed.

Simon moved that the name of Schoen be added as an author on H. F. No. 748. The motion prevailed.

Mariani moved that the name of Paymar be added as an author on H. F. No. 751. The motion prevailed.

Anderson, M., moved that his name be stricken as an author on H. F. No. 811. The motion prevailed.

Nornes moved that the name of Persell be added as an author on H. F. No. 813. The motion prevailed.

Fischer moved that the name of Runbeck be added as an author on H. F. No. 834. The motion prevailed.

Clark moved that the name of Loeffler be added as an author on H. F. No. 850. The motion prevailed.

Wills moved that the names of Newton and Kresha be added as authors on H. F. No. 851. The motion prevailed.

Rosenthal moved that the name of Cornish be added as an author on H. F. No. 858. The motion prevailed.

Dill moved that the name of McNamara be added as an author on H. F. No. 944. The motion prevailed.

Liebling moved that the name of Johnson, B., be added as an author on H. F. No. 946. The motion prevailed.

Dettmer moved that the name of Franson be added as an author on H. F. No. 957. The motion prevailed.

Schoen moved that the names of Lesch and Abeler be added as authors on H. F. No. 1002. The motion prevailed.

Simonson moved that the names of Simon, Slocum and McDonald be added as authors on H. F. No. 1010. The motion prevailed.

Hortman moved that the name of Erhardt be added as an author on H. F. No. 1044. The motion prevailed.

Clark moved that the names of Dehn, R.; Paymar; Davnie; Laine; Wagenius and Isaacson be added as authors on H. F. No. 1054. The motion prevailed.

Nelson moved that H. F. No. 152, now on the General Register, be re-referred to the Committee on Ways and Means. The motion prevailed.

Woodard moved that H. F. No. 803 be recalled from the Committee on Environment and Natural Resources Policy and be re-referred to the Committee on Transportation Policy. The motion prevailed.

Hortman moved that H. F. No. 824 be recalled from the Committee on Health and Human Services Policy and be re-referred to the Committee on Civil Law. The motion prevailed.

Lesch moved that H. F. No. 934 be recalled from the Committee on Environment, Natural Resources and Agriculture Finance and be re-referred to the Committee on Transportation Finance. The motion prevailed.

Morgan moved that H. F. No. 982 be recalled from the Committee on Early Childhood and Youth Development Policy and be re-referred to the Committee on Education Policy. The motion prevailed.

Loeffler moved that H. F. No. 1047 be recalled from the Committee on Health and Human Services Policy and be re-referred to the Committee on Early Childhood and Youth Development Policy. The motion prevailed.

Allen moved that H. F. No. 1081 be recalled from the Committee on Public Safety Finance and Policy and be re-referred to the Committee on Civil Law. The motion prevailed.

Allen moved that H. F. No. 1082 be recalled from the Committee on Public Safety Finance and Policy and be re-referred to the Committee on Civil Law. The motion prevailed.

CALL OF THE HOUSE LIFTED

Holberg moved that the call of the House be lifted. The motion prevailed and it was so ordered.

ADJOURNMENT

Murphy, E., moved that when the House adjourns today it adjourn until 12:00 noon, Tuesday, March 5, 2013. The motion prevailed.

Murphy, E., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Tuesday, March 5, 2013.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives

