SPECIAL SESSION

EIGHTEENTH DAY

St. Paul, Minnesota, Friday, July 1, 2005

The Senate met at 9:00 a.m. and was called to order by the President.

CALL OF THE SENATE

Senator Johnson, D.E. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by Senator Gary W. Kubly.

The roll was called, and the following Senators answered to their names:

Anderson	Frederickson	Langseth	Nienow	Saxhaug
Bachmann	Gaither	Larson	Olson	Scheid
Bakk	Gerlach	LeClair	Ortman	Senjem
Belanger	Hann	Limmer	Ourada	Skoe
Berglin	Higgins	Lourey	Pariseau	Skoglund
Betzold	Hottinger	Marko	Pogemiller	Solon
Chaudhary	Johnson, D.E.	Marty	Ranum	Sparks
Cohen	Jungbauer	McGinn	Reiter	Stumpf
Day	Kelley	Metzen	Rest	Tomassoni
Dibble	Kiscaden	Michel	Robling	Vickerman
Dille	Kleis	Moua	Rosen	Wergin
Fischbach	Koering	Murphy	Ruud	Wiger
Foley	Kubly	Neuville	Sams	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MOTIONS AND RESOLUTIONS

Senator Nienow moved that the name of Senator Kleis be added as a co-author to S.F. No. 94. The motion prevailed.

RECESS

Senator Betzold moved that the Senate do now recess subject to the call of the President.

CALL OF THE SENATE

Senator Betzold imposed a call of the Senate for the balance of the proceedings on his motion. The Sergeant at Arms was instructed to bring in the absent members.

Senator Ortman moved to amend the Betzold motion, to recess until 11:59 a.m. The motion prevailed.

The question recurred on the adoption of the Betzold motion, as amended. The motion prevailed. So the Senate was in recess until 11:59 a.m.

The hour of 11:59 a.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

Senator Johnson, D.E. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

MOTIONS AND RESOLUTIONS - CONTINUED

SUSPENSION OF RULES

Senator Kleis moved that Senate Rule 30.1 be suspended to allow reconsideration of the vote whereby Senate Resolution No. 1 was adopted by the Senate May 24, 2005.

CALL OF THE SENATE

Senator Ranum imposed a call of the Senate for the balance of the proceedings on the Kleis motion. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Kleis motion.

The roll was called, and there were yeas 28 and nays 34, as follows:

Those who voted in the affirmative were:

Bachmann	Gaither	Larson	Nienow	Rosen
Belanger	Gerlach	LeClair	Olson	Ruud
Day	Hann	Limmer	Ortman	Senjem
Dille	Jungbauer	McGinn	Pariseau	Wergin
Fischbach	Kleis	Michel	Reiter	
Frederickson	Koering	Neuville	Robling	

Those who voted in the negative were:

Anderson	Higgins	Lourey	Ranum	Solon
Berglin	Hottinger	Marko	Rest	Sparks
Betzold	Johnson, D.E.	Marty	Sams	Stumpf
Chaudhary	Kelley	Metzen	Saxhaug	Tomassoni
Cohen	Kiscaden	Moua	Scheid	Vickerman
Dibble	Kubly	Murphy	Skoe	Wiger
Foley	Langseth	Pogemiller	Skoglund	

The motion did not prevail.

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Orders of Business of Reports of Committees and Second Reading of Senate Bills.

REPORTS OF COMMITTEES

Senator Johnson, D.E. moved that the Committee Report at the Desk be now adopted. The motion prevailed.

Senator Johnson, D.E. from the Committee on Rules and Administration, to which was referred

S.F. No. 88: A bill for an act relating to appropriations; appropriating money for continued, temporary operation of state government.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 6, delete "Effective" and insert "Retroactively from"

Page 1, line 7, delete "8" and insert "11"

Page 1, line 12, delete "Laws 2003, chapter 128, and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. No. 88 was read the second time.

MOTIONS AND RESOLUTIONS - CONTINUED

SUSPENSION OF RULES

Senator Johnson, D.E. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S.F. No. 88 and that the rules of the Senate be so far suspended as to give S.F. No. 88, now on General Orders, its third reading and place it on its final passage.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 34 and nays 27, as follows:

Those who voted in the affirmative were:

Anderson	Higgins	Lourey	Ranum	Solon
Berglin	Hottinger	Marko	Rest	Sparks
Betzold	Johnson, D.E.	Marty	Sams	Stumpf
Chaudhary	Kelley	Metzen	Saxhaug	Tomassoni
Cohen	Kiscaden	Moua	Scheid	Vickerman
Dibble	Kubly	Murphy	Skoe	Wiger
Foley	Langseth	Pogemiller	Skoglund	<u> </u>

Ruud Senjem Wergin

Those who voted in the negative were:

Bachmann	Gerlach	LeClair	Olson
Belanger	Hann	Limmer	Ortman
Day	Jungbauer	McGinn	Pariseau
Dille	Kleis	Michel	Reiter
Fischbach	Koering	Neuville	Robling
Frederickson	Larson	Nienow	Rosen

The motion did not prevail.

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Senator Cohen introduced--

S.F. No. 95: A bill for an act relating to appropriations; appropriating money for continued, temporary operation of state government.

Referred to the Committee on Rules and Administration.

Senator Cohen introduced--

S.F. No. 96: A bill for an act relating to appropriations; appropriating money for continued, temporary operation of state government.

Referred to the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Orders of Business of Reports of Committees, Second Reading of Senate Bills and Second Reading of House Bills.

REPORTS OF COMMITTEES

Senator Johnson, D.E. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Senator Johnson, D.E. from the Committee on Rules and Administration, to which was referred

H.F. No. 100: A bill for an act relating to state government; ratifying amendments to the plans governing unrepresented and managerial state employees.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, delete "the day following final enactment" and insert "retroactively from July 1, 2005"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Johnson, D.E. from the Committee on Rules and Administration, to which was referred

S.F. No. 89: A bill for an act relating to the state budget; providing for transitional financing for certain governmental functions under certain conditions.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

SUMMARY (General Fund Only)

2006

APPROPRIATIONS

Early Education \$21,001,000 K-12 Education 1,604,721,000

Health and

 Human Services
 485,299,000

 Transportation
 78,966,000

 TOTAL
 \$2,189,987,000

ARTICLE 2

EARLY CHILDHOOD EDUCATION

Section 1. [JULY PAYMENT PROCESS.]

Notwithstanding the payment dates in Minnesota Statutes, section 127A.45, the commissioner of education shall pay all education aids appropriated in this article to the Department of Education before August 1, 2005, in a manner determined by the commissioner.

Sec. 2. [APPROPRIATIONS.]

<u>Subdivision 1.</u> [DEPARTMENT OF EDUCATION.] The sums indicated in this section are appropriated from the general fund to the Department of Education for the fiscal years designated.

Subd. 2. [SCHOOL READINESS.] For revenue for school readiness programs under Minnesota Statutes, sections 124D.15 and 124D.16:

The 2006 appropriation includes \$1,417,000 for 2005 and \$1,026,000 for 2006.

<u>Subd. 3.</u> [EARLY CHILDHOOD FAMILY EDUCATION AID.] <u>For early childhood family</u> education aid under Minnesota Statutes, section 124D.135:

\$3,224,000 2006

The 2006 appropriation includes \$1,861,000 for 2005 and \$1,363,000 for 2006.

<u>Subd. 4.</u> [HEALTH AND DEVELOPMENTAL SCREENING AID.] For health and developmental screening aid under Minnesota Statutes, sections 121A.17 and 121A.19:

\$720,000 2006

The 2006 appropriation includes \$417,000 for 2005 and \$303,000 for 2006.

<u>Subd.</u> 5. [HEAD START PROGRAM.] <u>For Head Start programs under Minnesota Statutes, section 119</u>A.52:

\$1,425,000 2006

Subd. 6. [COMMUNITY EDUCATION AID.] <u>For community education aid under Minnesota Statutes</u>, section 124D.20:

\$596,000 2006

The 2006 appropriation includes \$390,000 for 2005 and \$206,000 for 2006.

<u>Subd. 7.</u> [ADULTS WITH DISABILITIES PROGRAM AID.] <u>For adults with disabilities</u> programs under Minnesota Statutes, section 124D.56:

\$192,000 2006

The 2006 appropriation includes \$111,000 for 2005 and \$81,000 for 2006.

Subd. 8. [HEARING-IMPAIRED ADULTS.] <u>For programs for hearing-impaired adults under Minnesota Statutes</u>, section 124D.57:

\$6,000 2006

Subd. 9. [SCHOOL-AGE CARE REVENUE.] For extended day aid under Minnesota Statutes, section 124D.22:

\$6,000 2006

The 2006 appropriation includes \$4,000 for 2005 and \$2,000 for 2006.

Subd. 10. [ADULT BASIC EDUCATION AID.] For adult basic education aid under Minnesota Statutes, section 124D.531:

\$9,849,000 2006

The 2006 appropriation includes \$5,707,000 for 2005 and \$4,142,000 for 2006.

Subd. 11. [GED TESTS.] For payment of 60 percent of the costs of GED tests under Laws 1993, chapter 224, article 4, section 44, subdivision 10:

\$10,000 2006

Subd. 12. [LEAD HAZARD REDUCTION.] For lead hazard reduction under Minnesota Statutes, section 119A.46:

\$8,000 2006

Any balance in the first year does not cancel but is available in the second year. The commissioner of education may transfer this appropriation to the commissioner of health.

Sec. 3. [APPROPRIATION.]

<u>Subdivision 1.</u> [DEPARTMENT OF HUMAN SERVICES.] The <u>sums indicated in this section</u> are appropriated from the general fund to the Department of Human Services.

Subd. 2. [BASIC SLIDING FEE.] For basic sliding fee under Minnesota Statutes, section 119B.03:

<u>\$2,522,000</u> 2006

ARTICLE 3

K-12 EDUCATION

Section 1. Minnesota Statutes 2004, section 127A.49, subdivision 2, is amended to read:

Subd. 2. [ABATEMENTS.] Whenever by virtue of chapter 278, sections 270.07, 375.192, or otherwise, the net tax capacity of any district for any taxable year is changed after the taxes for that year have been spread by the county auditor and the local tax rate as determined by the county auditor based upon the original net tax capacity is applied upon the changed net tax capacities, the county auditor shall, prior to February 1 of each year, certify to the commissioner of education the amount of any resulting net revenue loss that accrued to the district during the preceding year. Each year, the commissioner shall pay an abatement adjustment to the district in an amount calculated according to the provisions of this subdivision. This amount shall be deducted from the amount of the levy authorized by section 126C.46. The amount of the abatement adjustment must be the product of:

- (1) the net revenue loss as certified by the county auditor, times
- (2) the ratio of:
- (i) the sum of the amounts of the district's certified levy in the <u>third</u> preceding year according to the following:
- (A) section 123B.57, if the district received health and safety aid according to that section for the second preceding year;
- (B) section 124D.20, if the district received aid for community education programs according to that section for the second preceding year;
- (C) section 124D.135, subdivision 3, if the district received early childhood family education aid according to section 124D.135 for the second preceding year; and
- (D) section 126C.17, subdivision 6, if the district received referendum equalization aid according to that section for the second preceding year; to
- (ii) the total amount of the district's certified levy in the $\underline{\text{third}}$ preceding December, plus or minus auditor's adjustments.

Sec. 2. [JULY PAYMENT PROCESS.]

Notwithstanding the payment dates in Minnesota Statutes, section 127A.45, the commissioner of education shall pay all education aids appropriated in this article before August 1, 2005, in a manner determined by the commissioner.

Sec. 3. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] The sums indicated in this section are appropriated from the general fund to the Department of Education for the fiscal years designated.

A. GENERAL EDUCATION

<u>Subd.</u> 2. [GENERAL EDUCATION AID.] <u>For general education aid under Minnesota Statutes,</u> section 126C.13, subdivision 4:

\$1,355,646,000 2006

The 2006 appropriation includes \$784,978,000 for 2005 and \$570,668,000 for 2006.

Subd. 3. [REFERENDUM TAX BASE REPLACEMENT AID.] For referendum tax base replacement aid under Minnesota Statutes, section 126C.17, subdivision 7a:

\$2,357,000 2006

The 2006 appropriation includes \$1,366,000 for 2005 and \$991,000 for 2006.

B. OTHER GENERAL PROGRAMS

Subd. 4. [ENROLLMENT OPTIONS TRANSPORTATION.] For transportation of pupils attending postsecondary institutions under Minnesota Statutes, section 124D.09, or for transportation of pupils attending nonresident districts under Minnesota Statutes, section 124D.03:

\$5,000 2006

Subd. 5. [ABATEMENT REVENUE.] <u>For abatement aid under Minnesota Statutes, section</u> 127A.49:

\$284,000 2006

The 2006 appropriation includes \$187,000 for 2005 and \$97,000 for 2006.

<u>Subd. 6.</u> [NONPUBLIC PUPIL EDUCATION AID.] <u>For nonpublic pupil education aid under Minnesota Statutes</u>, sections 123B.40 to 123B.43 and 123B.87:

\$647,000

\$4,042,000	<u></u>	<u>2006</u>
The 2006 appropriation in	ncludes \$2,	305,000 for 2005 and \$1,737,000 for 2006.
		TRANSPORTATION AID.] For nonpublic pupil tutes, section 123B.92, subdivision 9:
\$5,634,000	<u></u>	<u>2006</u>
The 2006 appropriation in	icludes \$3,	274,000 for 2005 and \$2,360,000 for 2006.
Subd. 8. [ONE ROOM SO Warroad, to operate the Ang		USE.] For a grant to Independent School District No. 690, hool:
<u>\$4,000</u>	<u></u>	<u>2006</u>
Subd. 9. [DECLINING P School District No. 241, Alb		ALBERT LEA.] For declining pupil aid to Independent
<u>\$6,000</u>	<u></u>	<u>2006</u>
Subd. 10. [DECLINING F School District No. 2711, M		; MESABI EAST.] For declining pupil aid to Independent
\$4,000	·····	2006
Subd. 11. [DECLINING School District No. 682, Ros		ID; ROSEAU.] For declining pupil aid to Independent
<u>\$1,000</u>	<u></u>	<u>2006</u>
	C. EDU	CATION EXCELLENCE
Subd. 12. [CHARTER SC aid under Minnesota Statutes		JILDING LEASE AID.] For charter school building lease 24D.11, subdivision 4:
\$6,313,000	<u></u>	<u>2006</u>
The 2006 appropriation in	icludes \$3,	324,000 for 2005 and \$2,989,000 for 2006.
Subd. 13. [CHARTER SC Minnesota Statutes, section		ART-UP AID.] For charter school start-up cost aid under
\$188,000	<u></u>	<u>2006</u>
The 2006 appropriation in	cludes \$-0	o- for 2005 and \$188,000 for 2006.
Subd. 14. [INTEGRATION 124D.86, subdivision 5:	ON AID.]	For integration aid under Minnesota Statutes, section
\$15,195,000	<u></u>	2006
The 2006 appropriation in	icludes \$8,	545,000 for 2005 and \$6,650,000 for 2006.
Subd. 15. [MAGNET SC	HOOL GR	ANTS.] For magnet school and program grants:
<u>\$63,000</u>	<u></u>	2006
These amounts may be u 124D.88.	sed for ma	agnet school programs under Minnesota Statutes, section
	RDISTRIC NTS.] For utes, sectio	interdistrict desegregation or integration transportation

2006

<u>....</u>

Cold 17 [CLICCESS FOR THE FUTURE] For American Indian access for the fature and the
Subd. 17. [SUCCESS FOR THE FUTURE.] For American Indian success for the future grants under Minnesota Statutes, section 124D.81:
<u>\$578,000</u> <u>2006</u>
The 2006 appropriation includes \$335,000 for 2005 and \$243,000 for 2006.
Subd. 18. [AMERICAN INDIAN SCHOLARSHIPS.] For American Indian scholarships under Minnesota Statutes, section 124D.84:
<u>\$156,000</u> <u>2006</u>
Subd. 19. [AMERICAN INDIAN TEACHER PREPARATION GRANTS.] For joint grants to assist American Indian people to become teachers under Minnesota Statutes, section 122A.63:
<u>\$16,000</u> <u></u> <u>2006</u>
<u>Subd. 20.</u> [TRIBAL CONTRACT SCHOOLS.] <u>For tribal contract school aid under Minnesota Statutes, section 124D.83:</u>
<u>\$614,000</u> <u>2006</u>
The 2006 appropriation includes \$348,000 for 2005 and \$266,000 for 2006.
Subd. 21. [EARLY CHILDHOOD PROGRAMS AT TRIBAL SCHOOLS.] For early childhood family education programs at tribal contract schools under Minnesota Statutes, section 124D.83, subdivision 4:
<u>\$6,000</u> <u></u> <u>2006</u>
Subd. 22. [STATEWIDE TESTING SUPPORT.] For statewide testing support under Minnesota Statutes, section 120B.30:
<u>\$750,000</u> <u>2006</u>
Subd. 23. [BEST PRACTICES SEMINARS.] For best practices seminars and other professional development capacity building activities that assure proficiency in teaching and implementation of graduation rule standards:
<u>\$83,000</u> <u></u> <u>2006</u>
Subd. 24. [ALTERNATIVE TEACHER COMPENSATION.] For alternative teacher compensation established under Minnesota Statutes, sections 122A.413 to 122A.415:
<u>\$308,000</u> <u>2006</u>
If the appropriations under this subdivision are insufficient to fund all program participants, a participant may receive less than the maximum per pupil amount available under Minnesota Statutes, section 122A.415, subdivision 1. A qualifying district or site receiving alternative teacher compensation funding under this subdivision may use the funding it receives to leverage additional funds from a national program for enhancing teacher professionalism.
<u>Subd. 25.</u> [YOUTHWORKS PROGRAM.] <u>For funding youthworks programs under Minnesota Statutes, sections 124D.37 to 124D.45:</u>
<u>\$75,000</u> <u></u> <u>2006</u>
A grantee organization may provide health and child care coverage to the dependents of each participant enrolled in a full-time youth works program to the extent such coverage is not otherwise available.
Subd. 26. [STUDENT ORGANIZATIONS.] For student organizations: \$52,000 2006

Subd. 27. [ONLINE LEARNING AID.] For online learning aid under Minnesota Statutes, section 124D.096:

\$104,000	 2006

Subd. 28. [COLLABORATIVE URBAN EDUCATOR.] For the collaborative urban educator program:

\$44,000 2006

Subd. 29. [EXAMINATION FEES; TEACHER TRAINING AND SUPPORT PROGRAMS.]
(a) For students' advanced placement and international baccalaureate examination fees under Minnesota Statutes, section 120B.13, subdivision 3, and the training and related costs for teachers and other interested educators under Minnesota Statutes, section 120B.13, subdivision 1:

\$65,000 2006

- (b) The advanced placement program shall receive 75 percent of the appropriation each year and the international baccalaureate program shall receive 25 percent of the appropriation each year. The department, in consultation with representatives of the advanced placement and international baccalaureate programs selected by the Advanced Placement Advisory Council and IBMN, respectively, shall determine the amounts of the expenditures each year for examination fees and training and support programs for each program.
- (c) Notwithstanding Minnesota Statutes, section 120B.13, subdivision 1, \$375,000 each year is for teachers to attend subject matter summer training programs and follow-up support workshops approved by the advanced placement or international baccalaureate programs. The amount of the subsidy for each teacher attending an advanced placement or international baccalaureate summer training program or workshop shall be the same. The commissioner shall determine the payment process and the amount of the subsidy.
- (d) The commissioner shall pay all examination fees for all students of low-income families under Minnesota Statutes, section 120B.13, subdivision 3, and to the extent of available appropriations shall also pay examination fees for students sitting for an advanced placement examination, international baccalaureate examination, or both.
- Subd. 30. [FIRST GRADE PREPAREDNESS.] For first grade preparedness grants under Minnesota Statutes, section 124D.081:

\$604,000 2006

D. SPECIAL PROGRAMS

Subd. 31. [SPECIAL EDUCATION; REGULAR.] <u>For special education aid under Minnesota</u> Statutes, section 125A.75:

<u>\$143,257,000</u> <u>.....</u> <u>2006</u>

The 2006 appropriation includes \$83,078,000 for 2005 and \$60,179,000 for 2006.

Subd. 32. [AID FOR CHILDREN WITH DISABILITIES.] For aid under Minnesota Statutes, section 125A.75, subdivision 3, for children with disabilities placed in residential facilities within the district boundaries for whom no district of residence can be determined:

\$184,000 2006

<u>Subd. 33.</u> [TRAVEL FOR HOME-BASED SERVICES.] For aid for teacher travel for home-based services under Minnesota Statutes, section 125A.75, subdivision 1:

\$49,000 2006

The 2006 appropriation includes \$28,000 for 2005 and \$21,000 for 2006.

<u>Subd. 34.</u> [SPECIAL EDUCATION; EXCESS COSTS.] <u>For excess cost aid under Minnesota Statutes, section 125A.79, subdivision 7:</u>

\$44,789,000 2006

The	2006	appropriation	includes	\$37,	,455,00	0 for	2005	and	\$7,334,000) for	2006.

Subd. 35.	[LITIGATION	COSTS F	FOR SPI	ECIAL	EDUCA	TION.]	For	paying	the	costs	a
district incurs	under Minneso	ta Statutes	, section	125A.7	75, subd	ivision 8	:				

\$1,000 2006

18TH DAY

Subd. 36. [TRANSITION FOR DISABLED STUDENTS.] For aid for transition programs for children with disabilities under Minnesota Statutes, section 124D.454:

\$2,380,000 2006

The 2006 appropriation includes \$1,380,000 for 2005 and \$1,000,000 for 2006.

Subd. 37. [COURT-PLACED SPECIAL EDUCATION REVENUE.] For reimbursing serving school districts for unreimbursed eligible expenditures attributable to children placed in the serving school district by court action under Minnesota Statutes, section 125A.79, subdivision 4:

\$5,000 2006

<u>Subd. 38.</u> [OUT-OF-STATE TUITION SPECIAL EDUCATION.] <u>For special education</u> out-of-state tuition according to Minnesota Statutes, section 125A.79, subdivision 8:

\$21,000 2006

E. FACILITIES AND TECHNOLOGY

Subd. 39. [HEALTH AND SAFETY REVENUE.] For health and safety aid according to Minnesota Statutes, section 123B.57, subdivision 5:

\$291,000 2006

The 2006 appropriation includes \$211,000 for 2005 and \$80,000 for 2006.

Subd. 40. [DEBT SERVICE EQUALIZATION.] For debt service aid according to Minnesota Statutes, section 123B.53, subdivision 6:

\$7,489,000 2006

The 2006 appropriation includes \$4,654,000 for 2005 and \$2,835,000 for 2006.

<u>Subd. 41.</u> [ALTERNATIVE FACILITIES BONDING AID.] For alternative facilities bonding aid, according to Minnesota Statutes, section 123B.59, subdivision 1:

\$5,223,000 2006

The 2006 appropriation includes \$3,028,000 for 2005 and \$2,195,000 for 2006.

F. NUTRITION

Subd. 42. [SCHOOL LUNCH.] For school lunch aid according to Minnesota Statutes, section 124D.111, and Code of Federal Regulations, title 7, section 210.17:

\$646,000 2006

<u>Subd. 43.</u> [TRADITIONAL SCHOOL BREAKFAST.] <u>For traditional school breakfast aid under Minnesota Statutes, section 124D.1158:</u>

\$386,000 2006

Subd. 44. [SUMMER FOOD SERVICE REPLACEMENT AID.] For summer food service replacement aid under Minnesota Statutes, section 124D.119:

<u>\$13,000</u> 2006

G. LIBRARIES

536		JOURNAL	OF THE SENA	ATE	[18TH DAY
	45. [BASIC SUPPO 134.342:	ORT.] For b	asic support g	grants according	to Minnesota Statutes,
\$	2,320,000	•••••	<u>2006</u>		
The 2	006 appropriation inc	cludes \$1,34	5,000 for 2005	5 and \$975,000	for 2006.
Subd. Minneso	46. [MULTICOUNT ta Statutes, sections	TY, MULTIT 134.353 and	TYPE LIBRAI 1 134.354, to	RY SYSTEMS.] multicounty, m	For grants according to ultitype library systems:
\$	244,000	<u></u>	<u>2006</u>		
The 2	006 appropriation inc	cludes \$141,	000 for 2005 a	and \$103,000 fo	or 2006.
database	s selected in coopera public libraries, and s	tion with th	e Higher Educ	cation Services	ewide licenses to online Office for school media lic, private, or university
<u>\$</u>	33,000	<u></u>	2006		
Subd. telecomr	48. [REGIONAL Linunications aid under	IBRARY TI Minnesota	ELECOMMUN Statutes, section	NICATIONS AI on 134.355:	D.] For regional library
<u>\$</u>	325,000	<u></u>	<u>2006</u>		
Of the	e 2006 appropriation,	\$188,000 is	for 2005 and	\$137,000 is for	2006.
		H. ST	ATE AGENC	IES	
Subd.	49. [DEPARTMENT	Γ.] <u>(a) For th</u>	ne Department	of Education:	
<u>\$</u>	1,814,000	<u></u>	<u>2006</u>		
(b) \$2	22,000 is for the Min	nesota Child	ren's Museum	<u>l.</u>	
(c) \$3	,000 is for the Minne	esota Acade	my of Science	<u>•</u>	
(d) \$5	52,000 is for the Boar	rd of Teachi	ng.		
(e) \$1	4,000 is for the Boar	d of School	Administrator	<u> </u>	
<u>(f)</u> \$2	,000 is for Minnesota	a's Washing	ton, D.C., offic	ce.	
Sec. 4	I. [APPROPRIATION	NS; MINNE	SOTA STATE	ACADEMIES.]
The s State Ac	ums indicated in this ademies for the Deaf	section are and the Bli	appropriated nd for the fisc	from the genera al years designa	l fund to the Minnesotanted:
<u>\$</u>	872,000	<u></u>	2006		
Sec. 5	5. [APPROPRIATION	NS; PERPIC	H CENTER F	OR ARTS EDU	JCATION.]
	ums indicated in this s Education for the fis			m the general fu	and to the Perpich Center
<u>\$</u>	535,000	<u></u>	<u>2006</u>		
			ARTICLE 4		

Section 1. [HEALTH AND HUMAN SERVICES APPROPRIATIONS.]

The sums shown in the columns marked "APPROPRIATIONS" are appropriated from the general fund, or any other fund named, to the agencies and for the purposes specified in the sections of this article, to be available for the fiscal year indicated for each purpose. The figure

HEALTH AND HUMAN SERVICES APPROPRIATIONS

"2006," where used in this article, means that the appropriation or appropriations listed under it are available for the fiscal year ending June 30, 2006.

SUMMARY BY FUND

	2006
General	\$485,299,000
State Government Special Revenue	44,733,000
Health Care Access	74,436,000
Federal TANF	282,749,000
Lottery Prize	1,456,000

APPROPRIATIONS Available for the Year Ending June 30 2006

Sec. 2. COMMISSIONER OF HUMAN SERVICES

Subdivision 1. Total Appropriation

TOTAL

\$844,278,000

Summary by Fund

2006

\$888,673,000

General 477,014,000

State Government

Special Revenue 534,000

Health Care

Access 88,525,000 Federal TANF 276,749,000

Lottery Cash

Flow 1,456,000

[RECEIPTS FOR SYSTEMS PROJECTS.] Appropriations and federal receipts for information system projects for MAXIS, PRISM, MMIS, and SSIS must be deposited in the state system account authorized in Minnesota Statutes, section 256.014. Money appropriated for computer projects approved by the Minnesota Office of Technology, funded by the legislature, and approved by the commissioner of finance, may be transferred from one project to another and from development to operations as the commissioner of human services considers necessary. Any unexpended balance in the appropriation for these projects does not cancel but is available for ongoing development and operations.

[SYSTEMS CONTINUITY.] In the event of disruption of technical systems or computer operations, the commissioner may use available grant appropriations to ensure continuity of payments for maintaining the health, safety, and well-being of clients served by programs administered by the Department of Human Services. Grant funds must be used in a manner consistent with the original intent of the appropriation.

[NONFEDERAL SHARE TRANSFERS.] The nonfederal share of activities for which federal administrative reimbursement is appropriated to the commissioner may be transferred to the special revenue fund.

TANF FUNDS APPROPRIATED TO OTHER ENTITIES.] Any expenditures from the TANF block grant shall be expended in accordance with the requirements and limitations of part A of title IV of the Social Security Act, as amended, and any other applicable federal requirement or limitation. Prior to any expenditure of these funds, the commissioner shall ensure that funds expended in compliance with requirements and limitations of federal law and that any reporting requirements of federal law are met. It shall be the responsibility of any entity to which these funds are appropriated to implement a memorandum of understanding with the commissioner that provides the necessary assurance of compliance prior to any expenditure of funds. The commissioner shall receipt TANF funds appropriated to other state agencies and coordinate all related interagency accounting transactions necessary to implement these appropriations. Unexpended TANF funds appropriated to any state, local, or nonprofit entity cancel at the end of the state fiscal year unless appropriating or statutory language permits otherwise.

[TANF MAINTENANCE OF EFFORT.] (a) In order to meet the basic maintenance of effort (MOE) requirements of the TANF block grant specified under Code of Federal Regulations, title 45, section 263.1, the commissioner may only report nonfederal money expended for allowable activities listed in the following clauses as TANF/MOE expenditures:

- (1) MFIP cash, diversionary work program, and food assistance benefits under Minnesota Statutes, chapter 256J;
- (2) the child care assistance programs under

- Minnesota Statutes, sections 119B.03 and 119B.05, and county child care administrative costs under Minnesota Statutes, section 119B.15;
- (3) state and county MFIP administrative costs under Minnesota Statutes, chapters 256J and 256K:
- (4) state, county, and tribal MFIP employment services under Minnesota Statutes, chapters 256J and 256K:
- (5) expenditures made on behalf of noncitizen MFIP recipients who qualify for the medical assistance without federal financial participation program under Minnesota Statutes, section 256B.06, subdivision 4, paragraphs (d), (e), and (j); and
- (6) qualifying working family credit expenditures under Minnesota Statutes, section 290.0671.
- (b) The commissioner shall ensure that sufficient qualified nonfederal expenditures are made each year to meet the state's TANF/MOE requirements. For the activities listed in paragraph (a), clauses (2) to (6), the commissioner may only report expenditures that are excluded from the definition of assistance under Code of Federal Regulations, title 45, section 260.31.
- (c) For fiscal years beginning with state fiscal year 2003, the commissioner shall assure that the maintenance of effort used by the commissioner of finance for the February and November forecasts required under Minnesota Statutes, section 16A.103, contains expenditures under paragraph (a), clause (1), equal to at least 25 percent of the total required under Code of Federal Regulations, title 45, section 263.1.
- (d) Minnesota Statutes, section 256.011, subdivision 3, which requires that federal grants or aids secured or obtained under that subdivision be used to reduce any direct appropriations provided by law, do not apply if the grants or aids are federal TANF funds.
- (e) Paragraph (a), clauses (1) to (6), and paragraphs (b) to (d), expire June 30, 2009, notwithstanding section 12.

[WORKING FAMILY CREDIT EXPENDITURES AS TANF/MOE.] The commissioner may claim as TANF maintenance of effort up to \$6,942,000 of working family credit expenditures for fiscal year 2006.

[GIFTS.] Notwithstanding Minnesota Statutes, sections 16A.013 to 16A.016, the commissioner may accept, on behalf of the state, additional funding from sources other than state funds for the purpose of financing the cost of assistance program grants or nongrant administration. All additional funding is appropriated to the commissioner for use as designated by the grantor of funding.

[CAPITATION RATE INCREASE.] Of the health care access fund appropriations to the University of Minnesota, \$2,157,000 in fiscal year 2006 and \$2,157,000 in fiscal year 2007 are to be used to increase the capitation payments under Minnesota Statutes, section 256B.69. Notwithstanding the provisions of section 12, this provision shall not expire.

Subd. 2. Agency Management

Summary by Fund

3 3	
General	3,294,000
State Government Special Revenue	415,000
Health Care Access	3,541,000
Federal TANF	222,000
The amounts that may be sper appropriation for each purpose are	
(a) Financial Operations	
General	837,000
Health Care Access	696,000
Federal TANF	122,000
(b) Legal and Regulation Operations	
General	636,000
State Government Special Revenue	415,000
Health Care Access	244,000
Federal TANF	100,000
(c) Management Operations	
General	273,000
Health Care Access	68,000
(d) Information Technology Operations	
General	1,547,000
Health Care Access	2,533,000

Subd. 3. Revenue and Pass-Through Expenditures

Federal TANF 60,767,000

Subd. 4. Economic Support Grants

Summary by Fund

General 33,097,000 Federal TANF 215,308,000

The amounts that may be spent from this appropriation for each purpose are as follows:

(a) MFIP/DWP Grants

General 2,970,000 Federal TANF 112,714,000

(b) Support Services Grants

General 725,000 Federal TANF 102,594,000

(c) MFIP Child Care Assistance Grants

General 6,803,000

(d) Child Care Development Grants

General 128,000

(e) Child Support Enforcement Grants

General 271,000

(f) Children's Services Grants

General 3,284,000

[ADOPTION ASSISTANCE AND RELATIVE CUSTODY ASSISTANCE.] The commissioner may transfer unencumbered appropriation balances for adoption assistance and relative custody assistance between fiscal years and between programs.

[PRIVATIZED ADOPTION GRANTS.] Federal reimbursement for privatized adoption grant and foster care recruitment grant expenditures is appropriated to the commissioner for adoption grants and foster care and adoption administrative purposes.

(g) Children and Community Services Grants

General 5,707,000

[DELAY PROJECTS OF REGIONAL SIGNIFICANCE.] Notwithstanding Minnesota Statutes, section 256M.40, subdivision 2, the projects of the regional significance grant program are delayed until July 1, 2007.

(h) General Assistance Grants

General 2,569,000

[GENERAL ASSISTANCE STANDARD.] The commissioner shall set the monthly standard of assistance for general assistance units consisting of an adult recipient who is childless and unmarried or living apart from parents or a legal guardian at \$203. The commissioner may reduce this amount according to Laws 1997, chapter 85, article 3, section 54.

[EMERGENCY GENERAL ASSISTANCE.] The amount appropriated for emergency general assistance funds is limited to no more than \$7,889,812. Funds to counties shall be allocated by the commissioner using the allocation method specified in Minnesota Statutes, section 256D.06.

(i) Minnesota Supplemental Aid Grants

General 2,526,000

[EMERGENCY MINNESOTA SUPPLEMENTAL AID FUNDS.] The amount appropriated for emergency Minnesota supplemental aid funds is limited to no more than \$1,100,000. Funds to counties shall be allocated by the commissioner using the allocation method specified in Minnesota Statutes, section 256D.46.

(j) Group Residential Housing Grants

General 7,049,000

(k) Other Children and Economic Assistance Grants

General 1,065,000

Subd. 5. Children and Economic Assistance Management

Summary by Fund

General3,524,000Health Care Access249,000Federal TANF452,000

The amounts that may be spent from the appropriation for each purpose are as follows:

(a) Children and Economic Assistance Administration

General 631,000 Federal TANF 452,000

(b) Children and Economic Assistance Operations

General 2,893,000

Health Care Access 249,000

[SPENDING AUTHORITY FOR FOOD STAMPS BONUS AWARDS.] In the event that Minnesota qualifies for the United States Department of Agriculture Food and Nutrition Services Food Stamp Program performance bonus awards beginning in federal fiscal year 2004, the funding is appropriated to the commissioner. The commissioner shall retain 25 percent of the funding, with the other 75 percent divided among the counties according to a formula that takes into account each county's impact on state performance in the applicable bonus categories.

[CHILD SUPPORT PAYMENT CENTER.] Payments to the commissioner from other governmental units, private enterprises, and individuals for services performed by the child support payment center must be deposited in the state systems account authorized under Minnesota Statutes, section 256.014. These payments are appropriated to the commissioner for the operation of the child support payment center or system, according to Minnesota Statutes, section 256.014.

[CHILD SUPPORT COST RECOVERY FEES.] The commissioner shall transfer \$34,000 of child support cost recovery fees collected in fiscal year 2006 to the PRISM special revenue account to offset PRISM system costs of maintaining the fee.

[FINANCIAL INSTITUTION DATA MATCH AND PAYMENT OF FEES.] The commissioner is authorized to allocate up to \$310,000 from the PRISM special revenue account to make payments to financial institutions in exchange for performing data matches between account information held by financial institutions and the public authority's database of child support obligors as authorized by Minnesota Statutes, section 13B.06, subdivision 7.

Subd. 6. Basic Health Care Grants

Summary by Fund

General 287.894.000

Health Care Access 48,665,000

[UPDATING FEDERAL POVERTY GUIDELINES.] Annual updates to the federal poverty guidelines are effective each July 1,

following publication by the United States Department of Health and Human Services for health care programs under Minnesota Statutes, chapters 256, 256B, 256D, and 256L.

The amounts that may be spent from the appropriation for each purpose are as follows:

(a) MinnesotaCare Grants

Health Care Access

47,915,000

[MINNESOTACARE FEDERAL RECEIPTS.] Receipts received as a result of federal participation pertaining to administrative costs of the Minnesota health care reform waiver shall be deposited as nondedicated revenue in the health care access fund. Receipts received as a result of federal participation pertaining to grants shall be deposited in the federal fund and shall offset health care access funds for payments to providers.

[MINNESOTACARE FUNDING.] The commissioner may expend money appropriated from the health care access fund for MinnesotaCare in either fiscal year of the biennium.

(b) MA Basic Health Care - Families and Children

General 105,073,000

(c) MA Basic Health Care - Elderly and Disabled

General 135,068,000

(d) General Assistance Medical Care Grants
General 46,604,000

(e) Prescription Drug Program Grants

General 723,000

[PDP TO MEDICARE PART D TRANSITION.] The commissioner of human services, with the approval of the commissioner of finance, and after notification of the chair of the senate Health and Human Services Budget Division and the chair of the house Health Policy and Finance Committee, may transfer fiscal year 2006 appropriations between the medical assistance program and the prescription drug program.

(f) Health Care Grants - Other Assistance

General 427,000

Health Care Access

750,000

Subd. 7. Health Care Management

Summary by Fund

General 1,759,000

Health Care Access 15,765,000

The amounts that may be spent from the appropriation for each purpose are as follows:

(a) Health Care Policy Administration

General 427,000

Health Care Access 745,000

[MINNESOTACARE OUTREACH REIMBURSEMENT.] Federal administrative reimbursement resulting from MinnesotaCare outreach is appropriated to the commissioner for this activity.

[MINNESOTA SENIOR HEALTH OPTIONS REIMBURSEMENT.] Federal administrative reimbursement resulting from the Minnesota senior health options project is appropriated to the commissioner for this activity.

[UTILIZATION REVIEW.] Federal administrative reimbursement resulting from prior authorization and inpatient admission certification by a professional review organization shall be dedicated to the commissioner for these purposes. A portion of these funds must be used for activities to decrease unnecessary pharmaceutical costs in medical assistance.

(b) Health Care Operations

General 1,332,000 Health Care Access 15,020,000

Subd. 8. Continuing Care Grants

Summary by Fund

General 129,521,000

Lottery Prize 1,308,000

The amounts that may be spent from the appropriation for each purpose are as follows:

(a) Aging and Adult Services Grant

General 1,163,000

(b) Alternative Care Grants

General 5,619,000

[ALTERNATIVE CARE TRANSFER.] Any money allocated to the alternative care program

that is not spent for the purposes indicated does not cancel but shall be transferred to the medical assistance account.

(c) Medical Assistance Grants -Long-term Care Facilities

General 42,723,000

(d) Medical Assistance Grants -Long-Term Care Waivers and Home Care Grants

General 69,499,000

[LIMITING GROWTH IN MR/RC WAIVER.] For the fiscal year ending June 30, 2006, the commissioner shall limit the new diversion caseload growth in the MR/RC waiver to 50 additional allocations. Notwithstanding Statutes, Minnesota section 256B.0916, subdivision 5, paragraph (b), the available diversion allocations shall be awarded to support individuals whose health and safety needs result in an imminent risk of an institutional placement at any time during the fiscal year.

(e) Mental Health Grants

General 3,845,000

Lottery Prize 1,308,000

[RESTRUCTURING OF ADULT MENTAL HEALTH SERVICES.] The commissioner may make transfers that do not increase the state share of costs to effectively implement the restructuring of adult mental health services.

(f) Deaf and Hard-of-Hearing Grants

General 120,000

(g) Chemical Dependency Entitlement Grants

General 5,265,000

(h) Chemical Dependency Nonentitlement Grants

General 88,000

(i) Other Continuing Care Grants

General 1,200,000

Subd. 9. Continuing Care Management

Summary by Fund

General 1,182,000

State Government

Special Revenue 119,000

Lottery Prize

148,000

Subd. 10. State-Operated Services

Summary by Fund

General

16,742,000

[TRANSFER AUTHORITY RELATED TO STATE-OPERATED SERVICES.] Money appropriated to finance state-operated services programs and administrative services may be transferred between fiscal years of the biennium with the approval of the commissioner of finance.

[APPROPRIATION LIMITATION.] No part of the appropriation in this article to the commissioner for mental health treatment services at the regional treatment centers shall be used for the Minnesota sex offender program.

Sec. 3. COMMISSIONER OF HEALTH

Subdivision 1. Total Appropriation

49,688,000

Summary by Fund

General 5,391,000

State Government

 Special Revenue
 32,081,000

 Health Care Access
 6,216,000

 TANF
 6,000,000

[TANF APPROPRIATIONS.] (a) \$4,000,000 of TANF funds is appropriated to the commissioner for home visiting and nutritional services listed under Minnesota Statutes, section 145.882, subdivision 7, clauses (6) and (7). Funding shall be distributed to community health boards based on Minnesota Statutes, section 145A.131, subdivision 1, and tribal governments based on Minnesota Statutes, section 145A.14, subdivision 2, paragraph (b).

(b) \$2,000,000 of TANF funds is appropriated to the commissioner for decreasing racial and ethnic disparities in infant mortality rates under Minnesota Statutes, section 145.928, subdivision

Subd. 2. Community and Family Health Promotion

Summary by Fund

General 3,451,000

State Government

Special Revenue 128,000

Health Care Access 3,453,000 TANF 3,580,000

Subd. 3. Policy Quality and Compliance

Summary by Fund

General 317,000

State Government

Special Revenue 10,424,000 Health Care Access 2,763,000

Subd. 4. Health Protection

Summary by Fund

General 758,000

State Government

Special Revenue 21,529,000

Subd. 5. Minority and Multicultural Health

General 415,000 TANF 2,420,000

Subd. 6. Administrative

Support Services

General 450,000

Sec. 4. VETERANS NURSING HOMES BOARD

General 2,503,000

Sec. 5. HEALTH-RELATED BOARDS

Subdivision 1. Total

Appropriation 11,572,000

State Government

Special Revenue 11,572,000

[STATE GOVERNMENT SPECIAL REVENUE FUND.] The appropriations in this section are from the state government special revenue fund, except where noted.

[NO SPENDING IN EXCESS OF REVENUES.] The commissioner of finance shall not permit the allotment, encumbrance, or expenditure of money appropriated in this section in excess of the anticipated biennial revenues or accumulated surplus revenues from fees collected by the boards. Neither this provision nor Minnesota Statutes, section 214.06, applies to transfers from the general contingent account.

[HEALTH PROFESSIONAL SERVICES ACTIVITY.] \$546,000 from the state

government special revenue fund is for the health professional services activity.

Subd. 2. Board of Behavioral Health and Therapy

673,000

Subd. 3. Board of Chiropractic Examiners

384,000

Subd. 4. Board of Dentistry

State Government Special Revenue Fund

858,000

Subd. 5. Board of Dietetics and Nutrition Practice

101,000

Subd. 6. Board of Marriage and Family Therapy

118,000

Subd. 7. Board of Medical Practice

3,404,000

Subd. 8. Board of Nursing

2,356,000

Subd. 9. Board of Nursing Home Administrators

597,000

[ADMINISTRATIVE SERVICES UNIT.] Of this appropriation, \$359,000 is for the health boards administrative services unit. The administrative services unit may receive and expend reimbursements for services performed for other agencies.

Subd. 10. Board of Optometry

96,000

Subd. 11. Board of Pharmacy

1,027,000

Subd. 12. Board of Physical Therapy

197,000

Subd. 13. Board of Podiatry

45,000

Subd. 14. Board of Psychology

680,000

Subd. 15. Board of Social

Work

873,000

Subd. 16. Board of Veterinary

Medicine

163,000

Sec. 6. EMERGENCY MEDICAL

SERVICES BOARD 1,653,000

Summary by Fund

General 207.000

State Government

Special Revenue 546,000

Sec. 7. COUNCIL ON DISABILITY

General 42,000

Sec. 8. OMBUDSMAN FOR MENTAL HEALTH

AND MENTAL RETARDATION

General 122,000

Sec. 9. OMBUDSMAN FOR FAMILIES

General 20,000

Sec. 10. [TRANSFERS.]

Subdivision 1. [GRANTS.] The commissioner of human services, with the approval of the commissioner of finance, and after notification of the chairs of the relevant senate budget division and house finance committee, may transfer unencumbered appropriation balances for the fiscal year ending June 30, 2006, among the MFIP, general assistance medical care, general assistance, medical assistance, MFIP child care assistance under Minnesota Statutes, section 119B.05, Minnesota supplemental aid, and group residential housing programs, and the entitlement portion of the chemical dependency consolidated treatment fund.

- Subd. 2. [ADMINISTRATION.] Positions, salary money, and nonsalary administrative money may be transferred within the Departments of Human Services and Health and within the programs operated by the Veterans Nursing Homes Board as the commissioners and the board consider necessary, with the advance approval of the commissioner of finance. The commissioner or the board shall inform the chairs of the relevant house and senate health committees quarterly about transfers made under this provision.
- Subd. 3. [PROHIBITED TRANSFERS.] Grant money shall not be transferred to operations within the Departments of Human Services and Health and within the programs operated by the Veterans Nursing Homes Board without the approval of the legislature.

Sec. 11. [INDIRECT COSTS NOT TO FUND PROGRAMS.]

The commissioners of health and of human services shall not use indirect cost allocations to pay for the operational costs of any program for which they are responsible.

Sec. 12. [SUNSET OF UNCODIFIED LANGUAGE.]

All uncodified language contained in this article expires on July 31, 2006, unless a different expiration date is explicit.

ARTICLE 5

TRANSPORTATION AND OTHER AGENCIES

Section 1. [TRANSPORTATION AND OTHER AGENCIES APPROPRIATIONS.]

The sums shown in the columns marked "APPROPRIATIONS" are appropriated from the general fund, or another named fund, to the agencies and for the purposes specified in this article, to be available for the fiscal years indicated for each purpose. The figures "2006" and "2007," where used in this article, mean that the appropriations listed under them are available for the year ending June 30, 2006, or June 30, 2007, respectively. The term "first year" means the year ending June 30, 2006, and the term "second year" means the year ending June 30, 2007.

SUMMARY BY FUND

	2006	2007	TOTAL
General	\$78,966,000	\$80,221,000	\$159,187,000
Airports	19,458,000	19,458,000	38,916,000
C.S.A.H.	441,335,000	453,948,000	895,283,000
M.S.A.S.	117,048,000	120,841,000	237,889,000
Special Revenue	45,741,000	45,096,000	90,837,000
Highway User	8,568,000	8,638,000	17,206,000
Trunk Highway	1,148,201,000	1,262,744,000	2,410,945,000
TOTAL	\$1,859,317,000	\$1,990,946,000	\$3,850,263,000

APPROPRIATIONS Available for the Year Ending June 30 2006 2007

Sec. 2. TRANSPORTATION

Subdivision 1. Total

Appropriation \$1,668,391,000 \$1,799,349,000

The appropriations in this section are from the trunk highway fund, except when another fund is named.

Summary by Fund

	2006	2007
General	16,221,000	16,221,000
Airports	19,408,000	19,408,000
C.S.A.H.	441,335,000	453,948,000
M.S.A.S.	117,048,000	120,841,000
Trunk Highway	1,074,379,000	1,188,931,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Multimodal Systems 42,147,000 42,147,000

Summary by Fund

Airports 19,383,000 19,383,000

General 16,156,000 16,156,000 Trunk Highway 6,608,000 6,608,000

The amounts that may be spent from this appropriation for each activity are as follows:

(a) Aeronautics

20,220,000

20,220,000

Summary by Fund

Airports 19,383,000 19,383,000 Trunk Highway 837,000 837,000

Except as otherwise provided, the appropriations in this subdivision are from the state airports fund.

(1) Airport Development and Assistance

14,298,000

14,298,000

These appropriations must be spent according to Minnesota Statutes, section 360.305, subdivision 4.

Notwithstanding Minnesota Statutes, section 16A.28, subdivision 6, funds are available for five years after appropriation.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Of the state airports fund appropriation in Laws 2003, First Special Session chapter 19, article 1, section 2, subdivision 2, paragraph (a), clause (1), \$1,900,000 cancels to the state airports fund. This cancellation is effective the day following final enactment.

(2) Aviation Support and Services

5,922,000

5,922,000

Summary by Fund

Airports 5,085,000 5,085,000 Trunk Highway 837,000 837,000

\$65,000 the first year and \$65,000 the second year are for the Civil Air Patrol.

(b) Transit

16,605,000

16,605,000

Summary by Fund

 General
 15,810,000
 15,810,000

 Trunk Highway
 795,000
 795,000

(c) Freight

5,322,000 5,322,000

Summary by Fund

General 346,000 346,000 Trunk Highway 4,976,000 4,976,000

Subd. 3. State Roads 1,012,272,000 1,126,824,000

Summary by Fund

General 9,000 9,000 Trunk Highway 1,012,263,000 1,126,815,000

The amounts that may be spent from this appropriation for each activity are as follows:

(a) Infrastructure Investment and Planning

801,561,000 916,113,000

(1) Infrastructure Investment Support

168,207,000 168,207,000

\$266,000 the first year and \$266,000 the second year are available for grants to metropolitan planning organizations outside the seven-county metropolitan area.

\$75,000 the first year and \$75,000 the second year are for a transportation research contingent account to finance research projects that are reimbursable from the federal government or from other sources. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$600,000 the first year and \$600,000 the second year are available for grants for transportation studies outside the metropolitan area to identify critical concerns, problems, and issues. These grants are available (1) to regional development commissions and (2) in regions where no regional development commission is functioning, to joint powers boards established under agreement of two or more political subdivisions in the region to exercise the planning functions of a regional development commission, and (3) in regions where no regional development commission or joint powers board is functioning, to the department's district office for that region.

(2) State Road Construction

576,950,000 680,950,000

It is estimated that these appropriations will be funded as follows:

Federal Highway Aid

280,000,000 384,000,000

Highway User Taxes

296,950,000

296,950,000

The commissioner of transportation shall notify the chair of the Transportation Budget Division of the senate and the chair of the Transportation Finance Committee of the house of representatives of any significant events that should cause these estimates to change.

This appropriation is for the actual construction, reconstruction, and improvement of trunk highways, including use of consultants to support these activities. This includes the cost of actual payment to landowners for lands acquired for highway rights-of-way, payment to lessees, interest subsidies, and relocation expenses.

The commissioner may transfer up to \$15,000,000 each year to the transportation revolving loan fund.

The commissioner may receive money covering other shares of the cost of partnership projects. These receipts are appropriated to the commissioner for these projects.

(3) Highway Debt Service

56,404,000

66,956,000

\$42,086,000 the first year and \$62,005,000 the second year are for transfer to the state bond fund. If this appropriation is insufficient to make all transfers required in the year for which it is made, the commissioner of finance shall notify the Committee on Finance of the senate and the Committee on Ways and Means of the house of representatives of the amount of the deficiency and shall then transfer that amount under the statutory open appropriation. Any excess appropriation cancels to the trunk highway fund.

(b) Infrastructure Operations and Maintenance

204,746,000

204,746,000

(c) Electronic Communications

5,965,000

5,965,000

Summary by Fund

General

9,000

9,000

Trunk Highway

5,956,000

5,956,000

\$9,000 the first year and \$9,000 the second year are from the general fund for equipment and operation of the Roosevelt signal tower for Lake of the Woods weather broadcasting.

Subd. 4. Local Roads

558,383,000

574,789,000

Summary by Fund

C.S.A.H.

441.335.000

453,948,000

M.S.A.S.

117,048,000

120,841,000

The amounts that may be spent from this appropriation for each activity are as follows:

(a) County State Aids

441,335,000

453,948,000

This appropriation is from the county state-aid highway fund and is available until spent.

(b) Municipal State Aids

117,048,000

120,841,000

This appropriation is from the municipal state-aid street fund and is available until spent.

If an appropriation for either county state aids or municipal state aids does not exhaust the balance in the fund from which it is made in the year for which it is made, the commissioner of finance, request of the upon commissioner transportation, shall notify the chair of the Transportation Finance Committee of the house of representatives and the chair of the Transportation Budget Division of the senate of the amount of the remainder and shall then add that amount to the appropriation. The amount added is appropriated for the purposes of county state aids or municipal state aids, as appropriate.

If the appropriation for either county state aids or municipal state aids does exhaust the balance in the fund from which it is made in the year for which it is made, the commissioner of finance shall notify the chair of the Transportation Committee the house Finance of representatives and the chair of Transportation Budget Division of the senate of the amount by which the appropriation exceeds the balance and shall then reduce that amount from the appropriation.

Subd. 5. General Support

and Services

55,589,000

55,589,000

Summary by Fund

General Airports 56,000

56,000

25,000

25,000

Trunk Highway 55,508,000 55,508,000

The amounts that may be spent from this appropriation for each activity are as follows:

(a) Department Support

38,999,000 38,999,000

Summary by Fund

Airports 25,000 25,000 Trunk Highway 38,974,000 38,974,000

(b) Buildings

16,590,000 16,590,000

Summary by Fund

General 56,000 56,000 Trunk Highway 16,534,000 16,534,000

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Subd. 6. Transfers

- (a) With the approval of the commissioner of finance, the commissioner of transportation may transfer unencumbered balances among the appropriations from the trunk highway fund and the state airports fund made in this section. No transfer may be made from the appropriation for state road construction. No transfer may be made from the appropriations for debt service to any other appropriation. Transfers under this paragraph may not be made between funds. Transfers between programs must be reported immediately to the chair of the Transportation Budget Division of the senate and the chair of the Transportation Finance Committee of the house of representatives.
- (b) The commissioner of finance shall transfer from the flexible account in the county state-aid highway fund \$5,650,000 the first year and \$1,480,000 the second year to the municipal turnback account in the municipal state-aid street fund; and the remainder in each year to the county turnback account in the county state-aid highway fund.

Subd. 7. Use of State Road Construction Appropriations

Any money appropriated to the commissioner of transportation for state road construction for any fiscal year before fiscal year 2006 is available to the commissioner during fiscal years 2006 and 2007 to the extent that the commissioner spends the money on the state road construction project for which the money was originally encumbered during the fiscal year for which it was

appropriated. The commissioner of transportation shall report to the commissioner of finance by August 1, 2005, and August 1, 2006, on a form the commissioner of finance provides, on expenditures made during the previous fiscal year that are authorized by this subdivision.

Subd. 8. Contingent Appropriation

The commissioner of transportation, with the approval of the governor after review by the Legislative Advisory Commission Minnesota Statutes, section 3.30, may transfer all or part of the unappropriated balance in the trunk highway fund to an appropriation (1) for trunk highway design, construction, or inspection in order to take advantage of an unanticipated receipt of income to the trunk highway fund or to take advantage of federal advanced construction funding, (2) for trunk highway maintenance in order to meet an emergency, or (3) to pay tort or environmental claims. Any transfer as a result of the use of federal advanced construction funding must include an analysis of the effects on the long-term trunk highway fund balance. The amount transferred is appropriated for the purpose of the account to which it is transferred.

Sec. 3. METROPOLITAN COUNCIL TRANSIT

(a) Bus Transit

53,453,000 53,453,000

This appropriation is for bus system operations.

(b) Rail Operations

4,050,000 5,300,000

This appropriation is for operations of the Hiawatha light rail transit line.

This appropriation is for paying 50 percent of operating costs for the Hiawatha light rail transit line after operating revenue and federal funds are used for light rail transit operations. The remaining operating costs up to a maximum of \$4,050,000 the first year and \$5,300,000 the second year are to be paid by the Hennepin County Regional Rail Authority, using any or all of these sources:

- (1) general tax revenues of Hennepin County;
- (2) the authority's reserves; and
- (3) taxes levied under Minnesota Statutes, section 398A.04, subdivision 8, notwithstanding any provision in that subdivision that limits

57,503,000 58,753,000

amounts that may be levied for light rail transit purposes.

Sec. 4. PUBLIC SAFETY

Subdiv	vision	1.	Total

Appropriation 132,448,000 131,869,000

Summary by Fund

General	5,242,000	5,247,000
Trunk Highway	73,022,000	73,013,000
Highway User	8,443,000	8,513,000
Special Revenue	45,741,000	45,096,000

Subd. 2. Administration

and Related Services 9,694,000 9,699,000

Summary by Fund

General	2,371,000	2,376,000
Trunk Highway	5,938,000	5,938,000
Highway User	1,385,000	1,385,000

(a) Office of Communications

385,000 385,000

Summary by Fund

General	39,000	39,000
Trunk Highway	346,000	346,000

(b) Public Safety Support

6,855,000 6,860,000

Summary by Fund

General	2,241,000	2,246,000	
Trunk Highway	3,248,000	3,248,000	
Highway User	1,366,000	1,366,000	

\$375,000 the first year and \$380,000 the second year are for payment of public safety officer survivor benefits under Minnesota Statutes, section 299A.44. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$314,000 the first year and \$314,000 the second year are to be deposited in the public safety officer's benefit account. This money is available for reimbursements under Minnesota Statutes, section 299A.465.

\$508,000 the first year and \$508,000 the second year are for soft body armor reimbursements under Minnesota Statutes, section 299A.38.

\$792,000 the first year and \$792,000 the second

70.038.000

year are appropriated from the general fund for transfer by the commissioner of finance to the trunk highway fund on December 31, 2005, and December 31, 2006, respectively, in order to reimburse the trunk highway fund for expenses not related to the fund. These represent amounts appropriated out of the trunk highway fund for general fund purposes in the administration and related services program.

\$610,000 the first year and \$610,000 the second year are appropriated from the highway user tax distribution fund for transfer by the commissioner of finance to the trunk highway fund on December 31, 2005, and December 31, 2006, respectively, in order to reimburse the trunk highway fund for expenses not related to the fund. These represent amounts appropriated out of the trunk highway fund for highway user tax distribution fund purposes in the administration and related services program.

\$716,000 the first year and \$716,000 the second year are appropriated from the highway user tax distribution fund for transfer by the commissioner of finance to the general fund on December 31, 2005, and December 31, 2006, respectively, in order to reimburse the general fund for expenses not related to the fund. These represent amounts appropriated out of the general fund for operation of the criminal justice data network related to driver and motor vehicle licensing.

(c) Technical Support Services

2,454,000	2,454,000

Summary by Fund

General	91,000	91,000
Trunk Highway	2,344,000	2,344,000
Highway User	19,000	19,000
Subd. 3. State Patrol		70,047,000

Summary by Fund

General	2,871,000	2,871,000
Trunk Highway	67,084,000	67,075,000
Highway User	92,000	92,000

(a) Patrolling Highways

60,739,000 60,730,000

Summary by Fund

General 37,000 37,000

Trunk Highway 60,610,000 60,601,000 Highway User 92,000 92,000

\$3,700,000 the first year is for the cost of adding State Patrol positions. If money transferred to the trunk highway fund in the first year from the alcohol enforcement account in the special revenue fund is less than the amount specified in this paragraph, the commissioner shall make up the difference by transferring to the trunk highway fund money allocated to the commissioner under the federal Repeat Offender Transfer Program, Public Law 105-206, section 164.

(b) Commercial Vehicle Enforcement

6,474,000

6,474,000

This appropriation is from the trunk highway fund.

(c) Capitol Security

2,834,000

2,834,000

The commissioner may not (1) spend any money from the trunk highway fund for capitol security or (2) permanently transfer any state trooper from the patrolling highways activity to capitol security.

The commissioner may not transfer any money (1) appropriated for Department of Public Safety administration, the patrolling of highways, commercial vehicle enforcement, or driver and vehicle services to capitol security or (2) from capitol security.

Subd. 4. Driver and Vehicle Services

51,389,000

50,814,000

Summary by Fund

 Highway User
 6,966,000
 7,036,000

 Special Revenue
 44,423,000
 43,778,000

(a) Vehicle Services

23,383,000

23,849,000

Summary by Fund

Highway User 6,966,000 7,036,000 Special Revenue 16,417,000 16,813,000

This appropriation is from the vehicle services operating account in the special revenue fund.

(b) Driver Services

28,006,000

26,965,000

This appropriation is from the driver services operating account in the special revenue fund.

Subd. 5. Traffic Safety 324,000 324,000

This appropriation is from the driver services operating account in the special revenue fund.

The commissioner of public safety shall spend 50 percent of the money available to the state under Public Law 105-206, section 164, and the remaining 50 percent must be transferred to the commissioner of transportation for hazard elimination activities under United States Code, title 23, section 152.

Subd. 6. Pipeline Safety 994,000 994,000

This appropriation is from the pipeline safety account in the special revenue fund.

Sec. 5. GENERAL CONTINGENT ACCOUNTS 375,000 375,000

Summary by Fund

Trunk Highway	200,000	200,000
Highway User	125,000	125,000
Airports	50,000	50,000

The appropriations in this section may only be spent with the approval of the governor after consultation with the Legislative Advisory Commission pursuant to Minnesota Statutes, section 3.30.

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

Sec. 6. TORT CLAIMS 600,000 600,000

To be spent by the commissioner of finance.

This appropriation is from the trunk highway fund.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Sec. 7. Minnesota Statutes 2004, section 168.013, subdivision 8, is amended to read:

Subd. 8. [PROCEEDS TO HIGHWAY USER FUND; VEHICLE SERVICES OPERATING ACCOUNT.] (a) Unless otherwise specified in this chapter, the net proceeds of the registration tax imposed on motor vehicles under this chapter shall must be collected by the registrar of motor vehicles and commissioner, paid into the state treasury, and credited to the highway user tax distribution fund.

(b) All fees collected under this chapter, unless otherwise specified, must be deposited in the state treasury and credited to the vehicle services operating account in the special revenue fund under section 299A.705.

- Sec. 8. Minnesota Statutes 2004, section 168.12, subdivision 2, is amended to read:
- Subd. 2. [AMATEUR RADIO LICENSEE; SPECIAL PLATES.] (a) Any The commissioner shall issue amateur radio plates to an applicant who:
- (1) is an owner or joint owner of a passenger automobile, van or pickup truck, or a self-propelled recreational motor vehicle, and;
 - (2) is a resident of this state, and who;
- (3) holds an official amateur radio station license, or a citizens radio service class D license, in good standing, issued by the Federal Communications Commission shall upon compliance;
 - (4) pays the registration tax required under section 168.013;
- (5) pays a fee of \$10 for each set of special plates and any other fees required by this chapter; and
- (6) complies with all laws of this state relating to this chapter and rules governing the registration of motor vehicles and the licensing of motor vehicles and drivers, be furnished with license plates for the motor vehicle, as prescribed by law, upon which,
- (b) In lieu of the numbers registration number required for identification under subdivision 1, shall be inscribed the plates must indicate the official amateur call letters of the applicant, as assigned by the Federal Communications Commission, and the words "AMATEUR RADIO."

The applicant shall pay in addition to the registration tax required by law, the sum of \$10 for the special license plates, and at the time of delivery of the special license plates the applicant shall surrender to the registrar the current license plates issued for the motor vehicle.

- (c) This provision for the issue of special license plates shall apply applies only if the applicant's motor vehicle is already registered in Minnesota so that the applicant has valid regular Minnesota plates issued for that motor vehicle under which to operate it during the time that it will take to have the necessary special license plates made.
- (d) If owning or jointly owning more than one motor vehicle of the type specified in this subdivision, the applicant may apply for special plates for each of not more than two motor vehicles, and, if each application complies with this subdivision, the registrar commissioner shall furnish the applicant with the special plates, inscribed with indicating the official amateur call letters and other distinguishing information as the registrar commissioner considers necessary, for each of the two motor vehicles.
- And (e) The registrar commissioner may make reasonable rules governing the use of the special license plates as will assure the full compliance by the owner and holder of the special plates, with all existing laws governing the registration of motor vehicles, and the transfer and the use thereof of the plates.
- (b) (f) Despite any contrary provision of subdivision 1, the special license plates issued under this subdivision may be transferred by an owner to another motor vehicle listed in paragraph (a) and registered to the same owner, upon the payment of a fee of \$5. The registrar commissioner must be notified of before the transfer and may prescribe a form format for the notification.
- (c) Fees collected under this subdivision must be paid into the state treasury and credited to the highway user tax distribution fund.
 - Sec. 9. Minnesota Statutes 2004, section 168.12, subdivision 2a, is amended to read:
- Subd. 2a. [PERSONALIZED PLATES; RULES.] (a) The commissioner shall issue personalized license plates must be issued to an applicant for registration of who:
- (1) is an owner of a passenger automobile including a passenger automobile registered as a classic car, pioneer car, collector car, or street rod; van; pickup truck as defined in section

168.011, subdivision 29, and any other truck with a manufacturer's nominal rated capacity of one ton or less and resembling a pickup truck; <u>a</u> motorcycle, including a classic motorcycle; or self-propelled <u>a</u> recreational <u>motor</u> vehicle, upon compliance with the laws of this state relating to registration of the vehicle and upon payment of;

- (2) pays a onetime fee of \$100 in addition to and any other fees required by this chapter;
- (3) pays the registration tax required by law this chapter for the motor vehicle; and
- (4) complies with this chapter and rules governing registration of motor vehicles and licensing of drivers.
- (b) The registrar commissioner shall designate charge a replacement fee for personalized license plates that is calculated to cover the cost of replacement as specified in subdivision 5. This fee must be paid by the applicant whenever the personalized license plates are required to be replaced by law.
- (c) In lieu of the <u>numbers</u> <u>registration number</u> assigned as provided in subdivision 1, personalized license plates must have imprinted on them a series of not more than seven numbers and letters in any combination. When an applicant has once obtained personalized plates, the applicant shall have a prior claim for similar personalized plates in the next succeeding year as long as current <u>motor vehicle</u> registration is maintained.
- (d) The commissioner of public safety shall adopt rules in the manner provided by chapter 14, regulating the issuance and transfer of personalized license plates. No words or combination of letters placed on personalized license plates may be used for commercial advertising, be of an obscene, indecent, or immoral nature, or be of a nature that would offend public morals or decency. The call signals or letters of a radio or television station are not commercial advertising for the purposes of this subdivision.
- (b) Notwithstanding (e) Despite the provisions of subdivision 1, personalized license plates issued under this subdivision may be transferred to another motor vehicle owned or jointly listed in paragraph (a) and owned by the applicant, upon the payment of a fee of \$5, which must be paid into the state treasury and credited to the highway user tax distribution fund.
 - (f) The registrar commissioner may by rule provide a form specify the format for notification.
- (g) A personalized license plate issued for a classic car, pioneer car, collector car, street rod, or classic motorcycle may not be transferred to a vehicle not eligible for such a license plate.
- (c) Notwithstanding (h) Despite any law to the contrary, if the personalized license plates are lost, stolen, or destroyed, the applicant may apply and shall receive must be issued duplicate license plates bearing the same combination of letters and numbers as the former personalized plates upon the payment of the fee required by section 168.29.
- (d) Fees from the sale of permanent and duplicate personalized license plates must be paid into the state treasury and credited to the highway user tax distribution fund.
 - Sec. 10. Minnesota Statutes 2004, section 168.12, subdivision 2b, is amended to read:
- Subd. 2b. [FIREFIGHTERS; SPECIAL PLATES.] (a) The registrar commissioner shall issue special license plates to any applicant who:
- (1) is both a member of a fire department receiving state aid under chapter 69 and an owner or joint owner of a passenger automobile, or truck with a manufacturer's nominal rated capacity of one ton and resembling a pickup truck, upon payment of;
 - (2) pays a fee of \$10 and upon payment of any other fees required by this chapter;
- (3) pays the registration tax required by law this chapter for the motor vehicle and compliance with other laws of this state relating to; and

- (4) complies with this chapter and rules governing the registration of motor vehicles and licensing of motor vehicles and drivers.
- (b) In lieu of the identification required under subdivision 1, the special license plates shall be inscribed with a symbol must bear an emblem of a Maltese Cross together with five any numbers or characters prescribed by the commissioner. No applicant shall receive more than two sets of plates for motor vehicles owned or jointly owned by the applicant.
- (b) (c) Special plates issued under this subdivision may only be used during the period that the owner or joint owner of the motor vehicle is a member of a fire department as specified in this subdivision. When the person individual to whom the special plates were issued is no longer a member of a fire department or when the motor vehicle ownership is transferred, the owner shall remove the special license plates shall be removed from the motor vehicle and returned to the registrar. Upon return removal of the special plates, either the owner or purchaser of the motor vehicle is entitled to receive regular plates for the motor vehicle without cost for the remainder of the registration period for which the special plates were issued.
- (d) Firefighter license plates issued pursuant to this subdivision may be transferred to another motor vehicle upon payment of a \$5, which fee shall be paid into the state treasury and credited to the highway user tax distribution fund.
- (e) (e) The commissioner of public safety may adopt rules under the Administrative Procedure Act, sections 14.001 to 14.69, to govern the issuance and use of the special plates authorized in this subdivision. All fees from the sale of special license plates for firefighters shall be paid into the state treasury and credited to the highway user tax distribution fund.
 - Sec. 11. Minnesota Statutes 2004, section 168.12, subdivision 2c, is amended to read:
- Subd. 2c. [NATIONAL GUARD; SPECIAL PLATES.] (a) The registrar commissioner shall issue special license plates to any applicant who:
- (1) is a regularly enlisted, commissioned, or retired member of the Minnesota National Guard, other than an inactive member who is not a retired member, and is an owner or joint owner of a passenger automobile, van, or pickup truck included within the definition of a passenger automobile upon payment of;
 - (2) pays a fee of \$10, payment of and any other fees required by this chapter;
- (3) pays the registration tax required by law, and compliance with other laws of this state relating to this chapter; and
- (4) complies with this chapter and rules governing the registration of motor vehicles and licensing of motor vehicles and drivers.
- (b) The adjutant general shall design the emblem for these special plates subject to the approval of the registrar commissioner. No
- (c) An applicant shall must not be issued more than two sets of plates for motor vehicles owned or jointly owned by registered to the applicant. The adjutant general shall estimate the number of special plates that will be required and submit the estimate to the registrar.
- (b) (d) Special plates issued under this subdivision may only be used during the period that the owner or joint owner of the motor vehicle is an active or retired member of the Minnesota National Guard as specified in this subdivision. When the person individual to whom the special plates were issued is no longer an active or retired member of the Minnesota National Guard, the special plates must be removed from the vehicle and returned to by the registrar owner. Upon return removal of the special plates, either the owner or purchaser of the motor vehicle is entitled to receive regular plates for the motor vehicle without cost for the remainder of the registration period for which the special plates were issued.
 - (e) While the person is an active or retired member of the Minnesota National Guard, plates

- issued pursuant to this subdivision may be transferred to another motor vehicle owned or jointly owned by that person individual upon payment of a fee of \$5.
- (e) (f) For purposes of this subdivision, "retired member" means a person an individual placed on the roll of retired officers or roll of retired enlisted members in the Office of the Adjutant General under section 192.18 and who is not deceased.
- (d) All fees collected under the provisions of this subdivision shall be paid into the state treasury and credited to the highway user tax distribution fund.
- (e) (g) The registrar commissioner may adopt rules under the Administrative Procedure Act to govern the issuance and use of the special plates authorized by this subdivision.
 - Sec. 12. Minnesota Statutes 2004, section 168.12, subdivision 2d, is amended to read:
- Subd. 2d. [READY RESERVE; SPECIAL PLATES.] (a) The registrar commissioner shall issue special license plates to an applicant who:
- (1) is not eligible for special license National Guard plates under subdivision 2c, who is a member of the United States Armed Forces Ready Reserve as described in United States Code, title 10, section 10142 or 10143, and is an owner or joint owner of a passenger automobile, van, or pickup truck, on paying;
 - (2) pays a fee of \$10, paying and any other fees required by this chapter;
- (3) pays the registration tax required by law, and complying with other laws of this state relating to this chapter; and
- (4) complies with this chapter and rules governing the registration of motor vehicles and licensing of motor vehicles and drivers.
- (b) The commissioner of veterans affairs shall design the emblem for these special plates subject to the approval of the registrar commissioner. No
- (c) An applicant may must not be issued more than two sets of plates for motor vehicles owned or jointly owned by the applicant. The commissioner of veterans affairs shall estimate the number of special plates that will be required and submit the estimate to the registrar.
- (b) (d) Special plates issued under this subdivision may only be used during the period that the owner or joint owner of the motor vehicle is a member of the ready reserve. When the person owner is no longer a member, the special plates must be removed from the motor vehicle and returned to the registrar by the owner. On returning removing the special plates, either the owner or purchaser of the motor vehicle is entitled to receive regular plates for the motor vehicle without cost for the rest of the registration period for which the special plates were issued. While the person owner is a member of the ready reserve, plates issued under this subdivision may be transferred to another motor vehicle owned or jointly owned by that person individual on paying a fee of \$5.
- (c) The fees collected under this subdivision must be paid into the state treasury and credited to the highway user tax distribution fund.
- (d) (e) The registrar commissioner may adopt rules under the Administrative Procedure Act to govern the issuance and use of the special plates authorized by this subdivision.
 - Sec. 13. Minnesota Statutes 2004, section 168.12, subdivision 2e, is amended to read:
- Subd. 2e. [VOLUNTEER AMBULANCE ATTENDANTS; SPECIAL PLATES.] (a) The registrar commissioner shall issue special license plates to an applicant who:
- (1) is a volunteer ambulance attendant as defined in section 144E.001, subdivision 15, and who owns or jointly owns a motor vehicle taxed as a passenger automobile. The registrar shall issue the special plates on payment of;

- (2) pays the registration tax required by law this chapter for the motor vehicle, compliance with all other applicable laws relating to;
 - (3) pays a fee of \$10 and any other fees required by this chapter; and
- (4) complies with this chapter and rules governing the registration of motor vehicles and licensing of motor vehicles and drivers, and payment of an additional fee of \$10.
- (b) The registrar commissioner shall not issue more than two sets of these plates to each qualified applicant.
- (b) A person (c) An individual may use special plates issued under this subdivision only during the period that the person individual is a volunteer ambulance attendant. When the person individual to whom the special plates were issued ceases to be a volunteer ambulance attendant, the person individual shall return remove each set of special plates issued to that person. When ownership of a the motor vehicle is transferred, the person individual shall remove the special plates from that motor vehicle and return them to the registrar. On return removal of each set of plates, the owner of the motor vehicle, or new owner in case of a transferred motor vehicle, is entitled to receive regular license plates for the motor vehicle without cost for the rest of the registration period for which the set of special plates were issued. Special plates issued under this subdivision may be transferred to another motor vehicle owned by the volunteer ambulance attendant on payment of a fee of \$5.
- (c) The fees specified in this subdivision must be paid into the state treasury and deposited in the highway user tax distribution fund.
- (d) The commissioner may adopt rules governing the design, issuance, and sale of the special plates authorized by this subdivision.
 - Sec. 14. Minnesota Statutes 2004, section 168.12, subdivision 5, is amended to read:
- Subd. 5. [ADDITIONAL FEE.] (a) In addition to any fee otherwise authorized or any tax otherwise imposed upon any motor vehicle, the payment of which is required as a condition to the issuance of any number license plate or plates, the commissioner of public safety shall impose the fee specified in paragraph (b) that is calculated to cover the cost of manufacturing and issuing the license plate or plates, except for license plates issued to disabled veterans as defined in section 168.031 and license plates issued pursuant to section 168.124, 168.125, or 168.27, subdivisions 16 and 17, for passenger automobiles. The commissioner shall issue graphic design license plates shall only be issued for vehicles registered pursuant to section 168.017 and recreational vehicles registered pursuant to section 168.013, subdivision 1g.
- (b) Unless otherwise specified or exempted by statute, the following plate and validation sticker fees apply for the original, duplicate, or replacement issuance of a plate in a plate year:

Sequential Regular Double Plate	\$4.25
Sequential Special Plate-Double	\$7.00
Sequential Regular Single Plate	\$3.00
Sequential Special Plate-Single	\$5.50
<u>Utility Trailer</u> Self-Adhesive Plate	\$2.50
Nonsequential Double Plate	\$14.00
Nonsequential Single Plate	\$10.00
Duplicate Sticker	\$1.00

- (c) Fees collected under this subdivision must be paid into the state treasury and credited to the highway user tax distribution fund.
 - Sec. 15. Minnesota Statutes 2004, section 168.1255, subdivision 4, is amended to read:

- Subd. 4. [FEES CREDITED.] The fees collected under this section must be deposited in the state treasury and credited to the highway user tax distribution fund. Fees collected under this section do not include the contributions collected for the World War II memorial donation match account.
 - Sec. 16. Minnesota Statutes 2004, section 168.127, subdivision 6, is amended to read:
- Subd. 6. [FEES.] Instead of the filing fee described in section 168.33, subdivision 7, the applicant for fleet registration shall pay an equivalent administrative fee to the commissioner for each vehicle in the fleet. The administrative fee must be deposited in the state treasury and credited to the highway user tax distribution fund.
 - Sec. 17. Minnesota Statutes 2004, section 168.129, subdivision 5, is amended to read:
- Subd. 5. [FEES CREDITED.] The fees collected under this section must be deposited in the state treasury and credited to the highway user tax distribution fund. Fees collected under this section do not include the contributions collected for the scholarship account.
 - Sec. 18. Minnesota Statutes 2004, section 168.1293, subdivision 7, is amended to read:
- Subd. 7. [DEPOSIT OF FEE; APPROPRIATION.] The commissioner shall deposit the application fee under subdivision 2, paragraph (a), clause (3), in the highway user tax distribution fund vehicle services operating account of the special revenue fund under section 299A.705. An amount sufficient to pay the department's cost in implementing and administering this section, including payment of refunds under subdivision 4, is appropriated to the commissioner.
 - Sec. 19. Minnesota Statutes 2004, section 168.1296, subdivision 5, is amended to read:
- Subd. 5. [CONTRIBUTION AND FEES CREDITED.] Contributions under subdivision 1, paragraph (a), clause (5), must be paid to the registrar commissioner and credited to the Minnesota critical habitat private sector matching account established in section 84.943. The fees collected under this section must be deposited in the highway user tax distribution fund vehicle services operating account of the special revenue fund under section 299A.705.
 - Sec. 20. Minnesota Statutes 2004, section 168.27, subdivision 11, is amended to read:
- Subd. 11. [DEALER'S LICENSES; LOCATION CHANGE NOTICE; FEE.] (a) Application for a dealer's license or notification of a change of location of the place of business on a dealer's license must include a street address, not a post office box, and is subject to the registrar's commissioner's approval.
- (b) Upon the filing of an application for a <u>dealer's</u> license and the proper fee, the <u>registrar is</u> authorized, unless the application on its face appears to be invalid, to the commissioner shall grant a 90-day temporary license. During the 90-day period following issuance of the temporary license, the <u>registrar commissioner</u> shall investigate the fitness of the applicant, inspect the place of <u>business</u> site, and <u>make other investigation as necessary to</u> insure compliance with the licensing <u>law this</u> section and rules adopted under this section.
- (c) The registrar commissioner may extend the temporary license 30 days to allow the temporarily licensed dealer to come into full compliance with this section and rules adopted under this section.

At the end of the period of investigation (d) In no more than 120 days following issuance of the temporary license, the dealer license must either be granted or denied.

- (e) A license must be denied under the following conditions:
- (1) The license must be denied if within the previous ten years the applicant was enjoined due to a violation of section 325F.69 or convicted of violating section 325E.14, 325E.15, 325E.16, or 325F.69, or convicted under section 609.53 of receiving or selling stolen vehicles, or convicted of violating United States Code, title 15, sections 1981 to 1991, as amended through December 31,

- 1984, or pleaded guilty, entered a plea of nolo contendere or no contest, or has been found guilty in a court of competent jurisdiction of any charge of failure to pay state or federal income or sales taxes or felony charge of forgery, embezzlement, obtaining money under false pretenses, theft by swindle, extortion, conspiracy to defraud, or bribery.
- (2) The license must also be denied if within the previous year the applicant has been denied a dealer license.
- (3) A license must also be denied if the applicant has had a dealer license revoked within the previous ten years.
- (f) If the application is approved, the registrar commissioner shall license the applicant as a motor vehicle dealer for one year from the date the temporary license is granted and issue a certificate of license that must include a distinguishing number of identification of the dealer. The license must be displayed in a prominent place in the dealer's licensed location place of business.
- (g) Each initial application for a license must be accompanied by a fee of \$50 \$100 in addition to the annual fee. The annual fee shall be \$100 is \$150. All The initial fees and annual fees must be paid into the state treasury and credited to the general fund except that \$50 of each initial and annual fee must be credited to the vehicle services operating account in the special revenue fund under section 299A.705.

Sec. 21. [168.326] [EXPEDITED DRIVER AND VEHICLES SERVICES; FEE.]

- (a) When an applicant requests and pays an expedited service fee of \$20, in addition to other specified and statutorily mandated fees and taxes, the commissioner shall expedite the processing of an application for a driver's license, driving instruction permit, Minnesota identification card, or vehicle title transaction.
- (b) A driver's license agent or deputy registrar may retain \$10 of the expedited service fee for each expedited service request processed by the licensing agent or deputy registrar.
- (c) When expedited service is requested, materials must be mailed or delivered to the requester within three days of receipt of the expedited service fee excluding Saturdays, Sundays, or the holidays listed in section 645.44, subdivision 5. The requester shall comply with all relevant requirements of the requested document.
- (d) The commissioner may decline to accept an expedited service request if it is apparent at the time it is made that the request cannot be granted.
- (e) The expedited service fees collected under this section for an application for a driver's license, driving instruction permit, or Minnesota identification card minus any portion retained by a licensing agent or deputy registrar under paragraph (b) must be credited to the driver services operating account in the special revenue fund specified under section 299A.705.
- (f) The expedited service fees collected under this section for a transaction for a vehicle service minus any portion retained by a licensing agent or deputy registrar under paragraph (b) must be credited to the vehicle services operating account in the special revenue fund specified under section 299A.705.

Sec. 22. [168.327] [DRIVER AND VEHICLE RECORD FEES.]

Subdivision 1. [RECORDS AND FEES.] (a) Upon request by any person authorized in this section, the commissioner shall furnish a certified copy of any driver's license record, instruction permit record, Minnesota identification card record, vehicle registration record, vehicle title record, or accident record.

(b) Other than accident records governed under section 169.09, subdivision 13, the requester shall pay a fee of \$10 for each certified record specified in paragraph (a) or a fee of \$9 for each record that is not certified.

(c) In addition to the record fee in paragraph (b), the fee for a copy of the history of any vehicle title not in electronic format is \$1 for each page of the historical record.

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- (d) Fees collected under paragraph (b) for driver's license, instruction permit, and Minnesota identification card records must be paid into the state treasury with 50 cents of each fee credited to the general fund. The remainder of the fees collected must be credited to the driver services operating account in the special revenue fund under section 299A.705.
- (e) Fees collected under paragraphs (b) and (c) for vehicle registration or title records must be paid into the state treasury with 50 cents of each fee credited to the general fund. The remainder of the fees collected must be credited to the vehicle services operating account in the special revenue fund specified in section 299A.705.
- (f) The commissioner shall permit a person to inquire into a record by the person's own electronic means for a fee of \$4.50 for each inquiry, except that no fee may be charged when the requester is the subject of the data.
 - (1) Of the \$4.50 fee, \$2.70 must be credited to the general fund.
- (2) For driver's license, instruction permit, or Minnesota identification card records, the remainder must be credited to the driver services operating account in the special revenue fund under section 299A.705.
- (3) For vehicle title or registration records, the remainder must be credited to the vehicle services operating account in the special revenue fund under section 299A.705.
- (g) Fees and the deposit of the fees for accident records and reports are governed by section 169.09, subdivision 13.
- Subd. 2. [EXCEPTION TO FEE.] (a) Notwithstanding this subdivision or section 13.03, a fee may not be imposed in response to a request for public information about the registration of a vehicle if the commissioner is satisfied that:
- (1) the requester seeks the information on behalf of a community-based, nonprofit organization designated by a local law enforcement agency to be a requester; and
- (2) the information is needed to identify suspected prostitution law violators, controlled substance law violators, or health code violators.
- (b) The commissioner shall not require a requester under paragraph (a) to make a minimum number of data requests or limit the requester to a maximum number of data requests.
- Sec. 23. Minnesota Statutes 2004, section 168.33, subdivision 7, as amended by Laws 2005, chapter 45, section 2, is amended to read:
 - Subd. 7. [FILING FEE.] (a) In addition to all other statutory fees and taxes, a filing fee of:
- (i) (1) \$4.50 is imposed on every motor vehicle registration renewal, excluding pro rate transactions; and
- (ii) \$7 (2) \$8.50 is imposed on every other type of vehicle transaction, including pro rate transactions;
- except that a filing fee may not be charged for a document returned for a refund or for a correction of an error made by the Department of Public Safety, a licensed auto dealer, or a deputy registrar. The filing fee must be shown as a separate item on all registration renewal notices sent out by the department commissioner. No filing fee or other fee may be charged for the permanent surrender of a certificate of title and license plates for a motor vehicle.
- (b) Filing All of the fees collected under this subdivision by the department paragraph (a), clause (1), must be paid into deposited in the state treasury and credited to the highway user tax distribution fund, except fees for registrations of motor vehicles. Filing fees collected for

registrations of motor vehicles in conjunction with a title transfer or first application in this state must be paid into the state treasury with 50 percent of the money credited to the general fund and 50 percent credited to the highway user tax distribution fund vehicle services operating account in the special revenue fund under section 299A.705. Of the fee collected under paragraph (a), clause (2), \$3.50 must be credited to the general fund with the remainder credited to the vehicle services operating account in the special revenue fund under section 299A.705.

- (c) A motor vehicle dealer shall retain \$2.50 of each filing fee imposed under this subdivision for a completed transaction involving the sale of a motor vehicle to or by a licensed dealer, if the dealer electronically transmits the transaction to the department commissioner or a deputy registrar. The department commissioner shall develop procedures to implement this subdivision in consultation with the Minnesota Deputy Registrar Association and the Minnesota Automobile Dealers Association. Deputy registrars shall must not be prohibited from receiving and processing required documents supporting an electronic transaction.
 - Sec. 24. Minnesota Statutes 2004, section 168.381, subdivision 4, is amended to read:
- Subd. 4. [APPROPRIATIONS.] (a) Money appropriated to the Department of Public Safety to procure the plates for any fiscal year or years are is available for allotment, encumbrance, and expenditure from and after the date of the enactment of the appropriation. Materials and equipment used in the manufacture of number plates are subject only to the approval of the commissioner of public safety.
- (b) This section contemplates that money to be appropriated to the Department of Public Safety in order to carry out the terms and provisions of this section will be appropriated by the legislature from the highway user tax distribution vehicle services operating account in the special revenue fund
- (c) A sum sufficient is appropriated annually from the highway user tax distribution fund to the commissioner of public safety to pay the costs of purchasing, delivering, and mailing motor vehicle license number plates, license plate registration tabs or stickers, and license plate registration notices.
 - Sec. 25. Minnesota Statutes 2004, section 168A.152, subdivision 2, is amended to read:
- Subd. 2. [INSPECTION FEE; PROCEEDS TO GENERAL FUND VEHICLE SERVICES OPERATING ACCOUNT.] (a) A fee of \$20 \$35 must be paid to the department before the department issues a certificate of title for a vehicle that has been inspected and for which a certificate of inspection has been issued pursuant to subdivision 1. The only additional fee that may be assessed for issuing the certificate of title is the filing fee imposed under section 168.33, subdivision 7.
- (b) Fees Of the fee collected by the department under this subdivision, for conducting inspections under subdivision 1, \$20 must be deposited in credited to the general fund and the remainder of the fee collected must be credited to the vehicle services operating account in the special revenue fund as specified in section 299A.705.
 - Sec. 26. Minnesota Statutes 2004, section 168A.29, subdivision 1, is amended to read:
 - Subdivision 1. [AMOUNTS.] (a) The department shall must be paid the following fees:
- (1) for filing an application for and the issuance of an original certificate of title, the sum of \$3 \$5.50 of which \$2.50 must be credited to the vehicle services operating account of the special revenue fund under section 299A.705;
- (2) for each security interest when first noted upon a certificate of title, including the concurrent notation of any assignment thereof and its subsequent release or satisfaction, the sum of \$2, except that no fee is due for a security interest filed by a public authority under section 168A.05, subdivision 8;
 - (3) for the transfer of the interest of an owner and the issuance of a new certificate of title, the

- sum of \$3 \$5.50 of which \$2.50 must be credited to the vehicle services operating account of the special revenue fund under section 299A.705;
- (4) for each assignment of a security interest when first noted on a certificate of title, unless noted concurrently with the security interest, the sum of \$1;
- (5) for issuing a duplicate certificate of title, the sum of \$4 \$6.50 of which \$2.50 must be credited to the vehicle services operating account of the special revenue fund under section 299A.705.
- (b) After June 30, 1994, in addition to each of the fees required under paragraph (a), clauses (1) and (3), the department shall <u>must</u> be paid \$3.50. The additional \$3.50 fee collected under this paragraph must be deposited in the special revenue fund and credited to the public safety motor vehicle account established in section 299A.70.
 - Sec. 27. Minnesota Statutes 2004, section 168A.31, is amended to read:
 - 168A.31 [DISPOSITION OF FEES; PAYMENT OF EXPENSES.]
- Subdivision 1. [PAID TO GENERAL FUND DISTRIBUTION.] All fees prescribed by sections 168A.01 to 168A.31 and 168.54 collected by the department must be paid into the general fund, unless otherwise specified in chapter 168A.
- Subd. 2. [EXPENSES; APPROPRIATION.] All necessary expenses incurred by the department for the administration of sections 168A.01 to 168A.31 shall must be paid from moneys money in the transfer of ownership revolving vehicle services operating account of the special revenue fund, and such funds are hereby appropriated as specified in section 299A.705.
 - Sec. 28. Minnesota Statutes 2004, section 169.09, subdivision 13, is amended to read:
- Subd. 13. [REPORTS CONFIDENTIAL; EVIDENCE, FEE, PENALTY, APPROPRIATION.] (a) All written reports and supplemental reports information required under this section shall must be for the use of the commissioner of public safety and other appropriate state, federal, county, and municipal governmental agencies for accident analysis purposes, except:
- (1) the commissioner of public safety or any law enforcement agency shall, upon written request of any person individual involved in an accident or upon written request of the representative of the person's individual's estate, surviving spouse, or one or more surviving next of kin, or a trustee appointed pursuant to under section 573.02, disclose to the requester, the requester's legal counsel, or a representative of the requester's insurer the report required under subdivision 8;
- (2) the commissioner of public safety shall, upon written request, provide the driver filing a report under subdivision 7 with a copy of the report filed by the driver;
- (3) the commissioner of public safety may verify with insurance companies vehicle insurance information to enforce sections 65B.48, 169.792, 169.793, 169.796, and 169.797;
- (4) the commissioner of public safety shall provide the commissioner of transportation the information obtained for each traffic accident involving a commercial motor vehicle, for purposes of administering commercial vehicle safety regulations; and
- (5) the commissioner of public safety may give to the United States Department of Transportation commercial vehicle accident information in connection with federal grant programs relating to safety.
- (b) Accident reports and data contained in the reports shall are not be discoverable under any provision of law or rule of court. No report shall be used as evidence in any trial, civil or criminal, or any action for damages or criminal proceedings arising out of an accident, except that. However, the commissioner of public safety shall furnish, upon the demand of any person who has, or claims to have, made a report, or, upon demand of any court, a certificate showing that a

specified accident report has or has not been made to the commissioner solely to prove compliance or failure to comply with the requirements that the report be made to the commissioner.

- (c) Nothing in this subdivision prevents any <u>person individual</u> who has made a report <u>pursuant</u> to <u>under</u> this section from providing information to <u>any persons individuals</u> involved in an accident or their representatives or from testifying in any trial, civil or <u>criminal</u>, arising out of an accident, as to facts within the <u>person's individual's</u> knowledge. It is intended by this subdivision to render privileged the reports required, but it is not intended to prohibit proof of the facts to which the reports relate.
- (d) Disclosing any information contained in any accident report, except as provided in this subdivision, section 13.82, subdivision 3 or 6, or other statutes, is a misdemeanor.
- (e) The commissioner of public safety may shall charge authorized persons as described in paragraph (a) a \$5 fee for a copy of an accident report. Ninety percent of the \$5 fee collected under this paragraph must be deposited in the special revenue fund and credited to the driver services operating account established in section 299A.705 and ten percent must be deposited in the general fund. The commissioner may also furnish eopies of the modified accident records an electronic copy of the database of accident records, which must not contain personal or private data on an individual, to private agencies as provided in paragraph (g), for not less than the cost of preparing the copies on a bulk basis as provided in section 13.03, subdivision 3.
- (f) The fees specified in paragraph (e) notwithstanding, the commissioner and law enforcement agencies may shall charge commercial users who request access to response or incident data relating to accidents a fee not to exceed 50 cents per report record. "Commercial user" is a user who in one location requests access to data in more than five accident reports per month, unless the user establishes that access is not for a commercial purpose. Of the money collected by the commissioner under this paragraph is appropriated to the commissioner, 90 percent must be deposited in the special revenue fund and credited to the driver services operating account established in section 299A.705 and ten percent must be deposited in the general fund.
- (g) The fees in paragraphs (e) and (f) notwithstanding, the commissioner may shall provide a modified an electronic copy of the accident records database that does to the public on a case-by-case basis using the cost-recovery charges provided for under section 13.03, subdivision 3. The database provided must not contain names, driver's license numbers, vehicle license plate numbers, addresses, or other identifying data to the public upon request personal or private data on an individual. However, unless the accident records data base includes the motor vehicle identification number, the commissioner shall include the vehicle license registration plate number if a private agency certifies and agrees that the agency:
 - (1) is in the business of collecting accident and damage information on vehicles;
- (2) will use the vehicle license registration plate number only for the purpose of identifying vehicles that have been involved in accidents or damaged in order, to provide this information to persons seeking access to a vehicle's history and not for the purpose of identifying individuals or for any other purpose; and
 - (3) will be subject to the penalties and remedies under sections 13.08 and 13.09.
 - Sec. 29. Minnesota Statutes 2004, section 169A.60, subdivision 16, is amended to read:
- Subd. 16. [FEES CREDITED TO HIGHWAY USER FUND.] Fees collected from the sale or reinstatement of license plates under this section must be paid into the state treasury and credited one-half to the highway user tax distribution fund vehicle services operating account in the special revenue fund specified in section 299A.705 and one-half to the general fund.
 - Sec. 30. Minnesota Statutes 2004, section 171.06, subdivision 2, is amended to read:
- Subd. 2. [FEES.] (a) The fees for a license and Minnesota identification card are as follows: Classified Driver's License D- \$18.50 \$21.50 C- \$22.50 \$25.50

B- \$29.50 \$32.50 A- \$37.50 \$40.50 Classified Under-21 D.L. D- \$18.50 \$21.50 C- \$22.50 \$25.50 B- \$29.50 \$32.50 A- \$17.50 \$20.50 **Instruction Permit** \$9.50 Provisional License \$9.50 \$12.50 **Duplicate License or** duplicate identification card \$8.00 \$11.00 Minnesota identification card or Under-21 Minnesota identification card, other than duplicate, except as otherwise provided in section 171.07, subdivisions 3 and 3a \$12.50 \$15.50

- (b) Notwithstanding paragraph (a), a person an individual who holds a provisional license and has a driving record free of (1) convictions for a violation of section 169A.20, 169A.33, 169A.35, or sections 169A.50 to 169A.53, (2) convictions for crash-related moving violations, and (3) convictions for moving violations that are not crash related, shall have a \$3.50 credit toward the fee for any classified under-21 driver's license. "Moving violation" has the meaning given it in section 171.04, subdivision 1.
- (c) In addition to the driver's license fee required under paragraph (a), the registrar commissioner shall collect an additional \$4 processing fee from each new applicant or person individual renewing a license with a school bus endorsement to cover the costs for processing an applicant's initial and biennial physical examination certificate. The department shall not charge these applicants any other fee to receive or renew the endorsement.
 - Sec. 31. Minnesota Statutes 2004, section 171.06, subdivision 2a, is amended to read:
- Subd. 2a. [TWO-WHEELED VEHICLE ENDORSEMENT FEE INCREASED.] (a) The fee for any duplicate driver's license which is obtained for the purpose of adding a two-wheeled vehicle endorsement is increased by \$18.50 for each first such duplicate license and \$13 for each renewal thereof. The additional fee shall must be paid into the state treasury and credited as follows:
- (1) \$11 of the additional fee for each first duplicate license, and \$7 of the additional fee for each renewal, must be credited to the motorcycle safety fund, which is hereby created; provided, that any ten percent of fee receipts in excess of \$750,000 in a fiscal year shall must be credited 90 percent to the trunk highway fund and ten percent to the general fund, as provided in section 171.26.
 - (2) The remainder of the additional fee must be credited to the general fund.
- (b) All application forms prepared by the commissioner for two-wheeled vehicle endorsements shall must clearly state the amount of the total fee that is dedicated to the motorcycle safety fund.
 - Sec. 32. Minnesota Statutes 2004, section 171.061, subdivision 4, is amended to read:
- Subd. 4. [FEE; EQUIPMENT.] (a) The agent may charge and retain a filing fee of \$3.50 \$5 for each application. Except as provided in paragraph (b), the fee shall cover all expenses involved in receiving, accepting, or forwarding to the department the applications and fees required under sections 171.02, subdivision 3; 171.06, subdivisions 2 and 2a; and 171.07, subdivisions 3 and 3a.
- (b) The department shall maintain the photo identification equipment for all agents appointed as of January 1, 2000. Upon the retirement, resignation, death, or discontinuance of an existing agent, and if a new agent is appointed in an existing office pursuant to Minnesota Rules, chapter 7404, and notwithstanding the above or Minnesota Rules, part 7404.0400, the department shall provide and maintain photo identification equipment without additional cost to a newly appointed agent in that office if the office was provided the equipment by the department before January 1, 2000. All photo identification equipment must be compatible with standards established by the department.
 - (c) A filing fee retained by the agent employed by a county board must be paid into the county

treasury and credited to the general revenue fund of the county. An agent who is not an employee of the county shall retain the filing fee in lieu of county employment or salary and is considered an independent contractor for pension purposes, coverage under the Minnesota State Retirement System, or membership in the Public Employees Retirement Association.

- (d) Before the end of the first working day following the final day of the reporting period established by the department, the agent must forward to the department all applications and fees collected during the reporting period except as provided in paragraph (c).
 - Sec. 33. Minnesota Statutes 2004, section 171.07, subdivision 11, is amended to read:
- Subd. 11. [STANDBY OR TEMPORARY CUSTODIAN.] (a) Upon the written request of the applicant and upon payment of an additional fee of \$3.50, the department shall issue a driver's license or Minnesota identification card bearing a symbol or other appropriate identifier indicating that the license holder has appointed an individual to serve as a standby or temporary custodian under chapter 257B.
- (b) The request must be accompanied by a copy of the designation executed under section 257B.04.
- (c) The department shall maintain a computerized records system of all persons individuals listed as standby or temporary custodians by driver's license and identification card applicants. This data shall must be released to appropriate law enforcement agencies under section 13.69. Upon a parent's request and payment of a fee of \$3.50, the department shall revise its list of standby or temporary custodians to reflect a change in the appointment.
- (d) At the request of the license or cardholder, the department shall cancel the standby or temporary custodian indication without additional charge. However, this paragraph does not prohibit a fee that may be applicable for a duplicate or replacement license or card, renewal of a license, or other service applicable to a driver's license or identification card.
- (e) Notwithstanding sections 13.08, subdivision 1, and 13.69, the department and department employees are conclusively presumed to be acting in good faith when employees rely on statements made, in person or by telephone, by persons purporting to be law enforcement and subsequently release information described in paragraph (b). When acting in good faith, the department and department personnel are immune from civil liability and not subject to suit for damages resulting from the release of this information.
 - (f) The department and its employees:
- (1) have no duty to inquire or otherwise determine whether a designation submitted under this subdivision is legally valid and enforceable; and
- (2) are immune from all civil liability and not subject to suit for damages resulting from a claim that the designation was not legally valid and enforceable.
 - (g) Of the fees received by the department under this subdivision:
- (1) Up to \$111,000 received in fiscal year 1997 and up to \$61,000 received in subsequent fiscal years must be deposited in the general fund.
- (2) All other fees must be deposited in the trunk highway driver services operating account in the special revenue fund specified in section 299A.705.
 - Sec. 34. Minnesota Statutes 2004, section 171.13, subdivision 6, is amended to read:
- Subd. 6. [INITIAL MOTORCYCLE ENDORSEMENT FEE.] A person applying for an initial motorcycle endorsement on a driver's license shall pay at the place of examination a total fee of \$21, which includes the examination fee and endorsement fee, but does not include the fee for a duplicate driver's license prescribed in section 171.06, subdivision 2. Of this amount, \$11 must be credited as provided in section 171.06, subdivision 2a, paragraph (a), clause (1), \$2.50 must be

credited to the trunk highway driver services operating account in the special revenue fund specified under section 299A.705, and the remainder must be credited to the general fund.

- Sec. 35. Minnesota Statutes 2004, section 171.13, is amended by adding a subdivision to read:
- Subd. 7. [REPEAT EXAMINATION FEE.] (a) A fee of \$10 must be paid by an individual to take a third and any subsequent knowledge test administered by the department if the individual has failed two previous consecutive knowledge tests on the subject.
- (b) A fee of \$20 must be paid by an individual to take a third and any subsequent skills or road test administered by the department if the individual has previously failed two consecutive skill or road tests in a specified class of motor vehicle.
- (c) All fees received under this subdivision must be paid into the state treasury and credited to the driver services operating account in the special revenue fund specified under section 299A.705.
- Sec. 36. Minnesota Statutes 2004, section 171.26, as amended by Laws 2005, chapter 136, article 18, section 13, is amended to read:

171.26 [MONEY CREDITED TO FUNDS DRIVER SERVICES OPERATING ACCOUNT.]

All money received under this chapter must be paid into the state treasury and credited to the trunk highway driver services operating account in the special revenue fund specified under section 299A.705, except as provided in subdivision 3; sections 171.06, subdivision 2a; 171.07, subdivision 11, paragraph (g); 171.12, subdivision 8; 171.20, subdivision 4, paragraph (d); and 171.29, subdivision 2, paragraph (b).

- Sec. 37. Minnesota Statutes 2004, section 171.29, subdivision 2, is amended to read:
- Subd. 2. [REINSTATEMENT FEES AND SURCHARGES ALLOCATED AND APPROPRIATED.] (a) A person An individual whose driver's license has been revoked as provided in subdivision 1, except under section 169A.52, 169A.54, or 609.21, shall must pay a \$30 fee before the driver's license is reinstated.
- (b) A person whose driver's license has been revoked as provided in subdivision 1 under section 169A.52, 169A.54, or 609.21, shall must pay a \$250 fee plus a \$40 surcharge before the driver's license is reinstated. Beginning July 1, 2002, the surcharge is \$145. Beginning July 1, 2003, the surcharge is \$430. The \$250 fee is to be credited as follows:
- (1) Twenty percent must be credited to the trunk highway driver services operating account in the special revenue fund as specified in section 299A.705.
 - (2) Sixty-seven percent must be credited to the general fund.
- (3) Eight percent must be credited to a separate account to be known as the Bureau of Criminal Apprehension account. Money in this account may be appropriated to the commissioner of public safety and the appropriated amount must be apportioned 80 percent for laboratory costs and 20 percent for carrying out the provisions of section 299C.065.
- (4) Five percent must be credited to a separate account to be known as the vehicle forfeiture account, which is created in the special revenue fund. The money in the account is annually appropriated to the commissioner for costs of handling vehicle forfeitures.
- (c) The revenue from \$50 of each surcharge must be credited to a separate account to be known as the traumatic brain injury and spinal cord injury account. The money in the account is annually appropriated to the commissioner of health to be used as follows: 83 percent for contracts with a qualified community-based organization to provide information, resources, and support to assist persons with traumatic brain injury and their families to access services, and 17 percent to maintain the traumatic brain injury and spinal cord injury registry created in section 144.662. For the purposes of this elause paragraph, a "qualified community-based organization" is a private,

not-for-profit organization of consumers of traumatic brain injury services and their family members. The organization must be registered with the United States Internal Revenue Service under section 501(c)(3) as a tax-exempt organization and must have as its purposes:

- (i) the promotion of public, family, survivor, and professional awareness of the incidence and consequences of traumatic brain injury;
- (ii) the provision of a network of support for persons with traumatic brain injury, their families, and friends;
 - (iii) the development and support of programs and services to prevent traumatic brain injury;
 - (iv) the establishment of education programs for persons with traumatic brain injury; and
- (v) the empowerment of persons with traumatic brain injury through participation in its governance.
- No A patient's name, identifying information, or identifiable medical data will <u>must not</u> be disclosed to the organization without the informed voluntary written consent of the patient or patient's guardian or, if the patient is a minor, of the parent or guardian of the patient.
- (d) The remainder of the surcharge must be credited to a separate account to be known as the remote electronic alcohol-monitoring program account. The commissioner shall transfer the balance of this account to the commissioner of finance on a monthly basis for deposit in the general fund.
- (e) When these fees are collected by a licensing agent, appointed under section 171.061, a handling charge is imposed in the amount specified under section 171.061, subdivision 4. The reinstatement fees and surcharge must be deposited in an approved state depository as directed under section 171.061, subdivision 4.
 - Sec. 38. Minnesota Statutes 2004, section 171.36, is amended to read:

171.36 [LICENSE RENEWAL; FEES; PROCEEDS TO TRUNK HIGHWAY FUND DRIVER SERVICES OPERATING ACCOUNT.]

All licenses shall expire one year from the date of issuance and may be renewed upon application to the commissioner. Each application for an original or renewal school license shall must be accompanied by a fee of \$150 and each application for an original or renewal instructor's license shall must be accompanied by a fee of \$50. The license fees collected under sections 171.33 to 171.41 shall must be paid into credited to the trunk highway driver services operating account in the special revenue fund specified under section 299A.705. No A license fee shall must not be refunded in the event that the license is rejected or revoked.

Sec. 39. [299A.705] [DRIVER AND VEHICLE SERVICES OPERATING ACCOUNTS.]

Subdivision 1. [VEHICLE SERVICES OPERATING ACCOUNT.] (a) The vehicle services operating account is created in the special revenue fund, consisting of all money from the vehicle services fees specified in chapters 168 and 168A and any other money otherwise deposited in or credited to this account.

- (b) Money appropriated is available to administer vehicle services as specified in chapters 168 and 168A and section 169.345, including:
 - (1) designing, producing, issuing, and mailing vehicle registrations, plates, emblems, and titles;
 - (2) collecting title and registration taxes and fees;
 - (3) transferring vehicle registration plates and titles;
 - (4) maintaining vehicle records;

- (5) issuing disability certificates and plates;
- (6) licensing vehicle dealers;
- (7) appointing, monitoring, and auditing deputy registrars; and
- (8) inspecting vehicles when required by law.
- <u>Subd. 2.</u> [DRIVER SERVICES OPERATING ACCOUNT.] (a) The Driver and Vehicle Services Division driver services operating account is created in the special revenue fund, consisting of all money collected under chapter 171 and any other money otherwise deposited in or credited to the account.
- (b) Money in the account must be used by the commissioner of public safety to administer the driver services specified in chapters 169A and 171, including the activities associated with producing and mailing drivers' licenses and identification cards and notices relating to issuance, renewal, or withdrawal of driving and identification card privileges for any fiscal year or years and for the testing and examination of drivers. Money in the account may also be used for driver and traffic safety activities.

Sec. 40. [REPEALER.]

Minnesota Statutes 2004, sections 168.012, subdivision 12; 168.041, subdivision 11; 168.105, subdivision 6; 168.123, subdivision 5; 168.123, subdivision 5; 168.128, subdivision 4; 168.231; 168.345, subdivisions 3 and 4; 170.23; 171.12, subdivision 8; and 171.185, are repealed.

ARTICLE 6 RATIFICATION

Section 1. [RATIFICATION.]

The amendments to the commissioner's plan for unrepresented state employees and the managerial plan, submitted to the Legislative Subcommittee on Employee Relations on June 22, 2005, are ratified.

ARTICLE 7

EFFECTIVE DATE; APPROPRIATION LAPSE

Section 1. [EFFECTIVE DATE.]

This act is effective on or retroactively from July 1, 2005.

Sec. 2. [APPROPRIATION LAPSE.]

Any portion of an appropriation in this act from the general fund, the health care access fund, or the trunk highway fund, whether for the fiscal year ending June 30, 2006, or for the fiscal year ending June 30, 2007, that remains unexpended and unencumbered on July 31, 2005, lapses to the fund from which it was appropriated."

Delete the title and insert:

"A bill for an act relating to the financing of state government; providing temporary base funding for certain agencies; appropriating money for education, health and human services, and transportation, with certain conditions; fixing and limiting fees; regulating the deposit of money in the state treasury; regulating transfers between appropriations and accounts; requiring certain studies and reports; amending Minnesota Statutes 2004, sections 127A.49, subdivision 2; 168.013, subdivision 8; 168.12, subdivisions 2, 2a, 2b, 2c, 2d, 2e, 5; 168.1255, subdivision 4; 168.127, subdivision 6; 168.129, subdivision 5; 168.1293, subdivision 7; 168.1296, subdivision 5; 168.27, subdivision 11; 168.33, subdivision 7; 168.381, subdivision 4; 168A.152, subdivision 2; 168A.29, subdivision 1; 168A.31; 169.09, subdivision 13; 169A.60, subdivision 16; 171.06, subdivisions 2, 2a; 171.061, subdivision 4; 171.07, subdivision 11; 171.13, subdivision 6, by adding a subdivision; 171.26, as amended; 171.29, subdivision 2; 171.36; proposing coding for new law in

Minnesota Statutes, chapters 168; 299A; repealing Minnesota Statutes 2004, sections 168.012, subdivision 12; 168.041, subdivision 11; 168.105, subdivision 6; 168.123, subdivision 5; 168.1235, subdivision 5; 168.128, subdivision 4; 168.231; 168.345, subdivisions 3, 4; 170.23; 171.12, subdivision 8; 171.185."

And when so amended the bill do pass. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. No. 89 was read the second time.

SECOND READING OF HOUSE BILLS

H.F. No. 100 was read the second time.

RECESS

Senator Johnson, D.E. moved that the Senate do now recess subject to the call of the President.

Senator Day moved to amend the Johnson, D.E. motion, to recess until 3:00 p.m. The motion prevailed.

The question recurred on the adoption of the Johnson, D.E. motion, as amended. The motion prevailed. So the Senate was in recess until 3:00 p.m.

The hour of 3:00 p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

Senator Johnson, D.E. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

RECESS

Senator Johnson, D.E. moved that the Senate do now recess until 5:00 p.m. The motion prevailed.

The hour of 5:00 p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

Senator Johnson, D.E. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bill was read the first time and referred to the committee indicated.

Senator Day introduced--

S.F. No. 97: A bill for an act relating to government operations and finance; providing for early childhood, adult, family, and kindergarten through grade 12 education including general education, excellence in education, special programs, facilities and technology, nutrition and accounting, libraries, early education, prevention, self-sufficiency and lifelong learning, state agencies, and technical and conforming amendments; providing for agriculture including establishing and modifying certain programs, providing for regulation of certain activities and practices, providing for accounts, assessments, and fees, and providing for the issuance of state bonds; providing for the environment and natural resources including establishing and modifying certain programs, reorganizing environmental agencies, providing for regulation of certain activities and practices, and providing for accounts, assessments, and fees; making changes to health and human services programs; changing licensing and state-operated services provisions; changing provisions in state health care programs, changing MinnesotaCare to a forecasted program and changing eligibility requirements and payments, allowing transfer of excess health care access funds to the general fund, allowing the commissioner to withhold for delinquent nursing home provider surcharges, allowing reduction of excess assets for MA and changing other MA provisions, reducing payments to managed care plans, establishing medical necessity standards for state health care programs, allowing the state to recover payment for long-term care from trusts and life estates or joint tenancy interests, and medication therapy management; establishing a value-based nursing facility reimbursement system and changing other provisions for nursing facilities; changing continuing care for the elderly and disabled provisions and establishing the Minnesota partnership for long-term care programs, increasing rate reimbursement for ICF/MR facilities, health care services, and provider rate increases, requiring a study for dental access, establishing an interagency work group on disability services; changing provisions for mental health services, allowing payment for mental health telemedicine, providing treatment foster care services and transitional youth intensive rehabilitative mental health services; modifying health policy, establishing a Health Information Technology and Infrastructure Advisory Committee, establishing a rural pharmacy planning and transition grant program, requiring a report from physicians and facilities performing abortions, classifying data in abortion notification reports, providing education on shaking infants and children, establishing a voluntary trauma system, trauma registry, and trauma advisory council, establishing a cancer drug repository program, prohibiting family grant funds to subsidize abortion services, promoting positive abortion alternatives, establishing the Unborn Child Pain Prevention Act, providing education on postpartum depression, adjusting certain fees, making forecast adjustments; providing for alternative funding; modifying truth in taxation provisions and adding a taxpayer satisfaction survey; changing income, corporate franchise, estate, property, sales and use, health care gross revenues, occupation, production, insurance, and other taxes and tax-related provisions; changing local government aids; updating references to the Internal Revenue Code; changing rent constituting property taxes and property tax refunds; requiring state contracts be with vendors registered to collect use taxes; abolishing the political contribution refund; authorizing local sales taxes; changing the taxation of liquor and cigarettes; authorizing income tax checkoffs; requiring registration of tax shelters and providing for a voluntary compliance initiative; changing job opportunity building zones and biotechnology and health sciences industry zone provisions; setting minimum employee compensation for qualifying business in a JOBZ; limiting sales tax construction exemption in job zones to businesses paying prevailing wage; requiring a referendum for certain subsidies to gambling enterprises; imposing a franchise fee on card clubs; defining the term "tax"; suspending appropriations or aids to public employers who prohibit certain employees from wearing a flag on a uniform; providing for training and conduct of assessors; establishing a tax reform commission; providing and imposing powers and duties on the commissioner of revenue and other state agencies and departments and on certain political subdivisions and certain officials; providing for transportation, public safety, and public transit agencies, programs, and activities, including providing for general contingent accounts and tort claims and creating

accounts; modifying provisions relating to motor vehicles and dealers, driver and vehicle records and fees, and vehicle accident reports; modifying certain programs for jobs, economic development, and housing; authorizing rulemaking; providing for reports; changing and imposing civil and criminal penalties; transferring funds; appropriating money; amending Minnesota Statutes 2004, sections 13.32, subdivisions 1, 8; 13.3806, by adding a subdivision; 15.60, as added; 16A.125, subdivision 5; 16A.724; 16C.03, by adding a subdivision; 17.03, subdivision 13; 17.117, subdivision 11, by adding a subdivision; 17.452, by adding a subdivision; 17.982, subdivision 1; 17.983, subdivisions 1, 3; 17B.03, subdivision 1; 18B.05, subdivision 1; 18B.06, subdivision 1; 18B.06, subdivision 1; 18B.08, subdivision 1; 1 subdivision 4; 18B.26, subdivision 3; 18B.31, subdivision 5; 18B.315, subdivision 6; 18B.32, subdivision 6; 18B.33, subdivision 7; 18B.34, subdivision 5; 18C.141, subdivisions 1, 3, 5; 18C.425, subdivision 6; 18E.03, subdivision 2; 18G.03, subdivision 1; 18G.10, subdivisions 5, 7; 18G.16, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 14; 18H.02, subdivisions 21, 22, 23, 32, 34, by adding a subdivision; 18H.05; 18H.06; 18H.07, subdivisions 1, 2, 3; 18H.09; 18H.13, subdivision 1; 18H.15; 18H.18, subdivision 1; 19.64, subdivision 1; 25.341, subdivision 2; 25.39, subdivisions 1, 4; 31.94; 35.02, subdivision 1; 35.03; 35.05; 35.155; 38.01; 38.16; 41A.09, subdivisions 2a, 3a, by adding subdivisions; 41B.046, subdivision 5; 41B.049, subdivisions 2, 4; 84.027, subdivision 15; 84.0274, by adding subdivisions; 84.0911, subdivision 2; 84.82, subdivision 2, by adding a subdivision; 84.8205, subdivisions 1, 3, 4, 6; 84.83, subdivisions 3, 4; 84.86, subdivision 1; 84.922, subdivision 2, by adding a subdivision; 84D.03, subdivision 4; 85.015, subdivision 5; 85.053, subdivisions 1, 2; 85.054, subdivision 1, by adding a subdivision; 85.055, by adding a subdivision; 86B.415, by adding a subdivision; 88.17, subdivision 1, by adding subdivisions; 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Referred to the Committee on Rules and Administration.

MEMBERS EXCUSED

Senators Johnson, D.J.; Kierlin and Pappas were excused from the Session of today. Senator Dille was excused from the Session of today from 9:00 to 9:30 a.m. Senator Ourada was excused from the Session of today from 9:00 a.m. to 3:00 p.m. Senator Gaither was excused from the Session of today from 12:00 noon to 12:20 p.m. Senator Bakk was excused from the Session of today from 12:05 to 12:15 p.m.

ADJOURNMENT

Senator Johnson, D.E. moved that the Senate do now adjourn until 9:00 a.m., Saturday, July 2, 2005.

CALL OF THE SENATE

Senator Betzold imposed a call of the Senate for the balance of the proceedings on the Johnson, D.E. motion. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Johnson, D.E. motion.

Senator Betzold moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 29 and nays 19, as follows:

Those who voted in the affirmative were:

Bakk	Foley	Lourey	Ranum	Solon
Berglin	Frederickson	Marko	Rest	Sparks
Betzold	Higgins	Marty	Saxhaug	Stumpf
Chaudhary	Johnson, D.E.	Metzen	Scheid	Tomassoni
Cohen	Kubly	Murphy	Skoe	Vickerman
Dibble	Langseth	Pogemiller	Skoglund	

Those who voted in the negative were:

Fischbach	Kleis	Nienow	Reiter	Senjem
Gerlach	Larson	Olson	Robling	Wergin
Hann	LeClair	Ourada	Rosen	Wiger
Jungbauer	Limmer	Pariseau	Rund	

The motion prevailed. So the Senate was adjourned.

Patrick E. Flahaven, Secretary of the Senate

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